Happiness Takes Us Higher

Annual Report 2015

Year ended March 31, 2015

Oriental Land Co.,Ltd.

Business Mission

OLC's mission is to create happiness and contentment by offering wonderful dreams and moving experiences created with original, imaginative ideas.

We are a company constantly embracing our emotions,
always with a new perspective of the times that makes us
a pioneer of the era. We move toward an ideal without limits,
convinced that we will make it there. Imagination is
our treasure trove, and imagination may well be
Earth’s only inexhaustible resource.
Utilizing this asset, we pursue our business of bringing
abundant humanity and happiness.
In the lives of people today, desires are sometimes surrendered
to reality, dreams that they harbor deep in their hearts,
moving experiences that uplift their souls,
joy that makes life worth living,
a true sense of peace that provides them with rejuvenation…
It is the mission of OLC to bring all of these
to each and every person.

Editorial Policy

This report has been designed as a communication tool to facilitate understanding with regard to OLC management policies and business strategies among a wide range of readers, including both private and institutional investors. "Happiness Takes Us Higher" is the overall theme of this report. Photographs, charts and tables have been used to illustrate the Company's operations in a visual manner in the report.

Forward-looking statements

Forecasts and other forward-looking statements are based on the judgments of management in consideration of information available as of the publishing date of this report. However, the Company's business is easily influenced by the preferences of Guests as well as by social and economic trends. For this reason, the estimates and forecasts contained in this report may be impacted by unforeseen circumstances.

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This section describes initiatives being undertaken on both hard and soft aspects under the "OLC in 2023" vision and how these can contribute to enhancing corporate value going forward.

Information

Investors' Information

WEB SITE

http://www.olc.co.jp/en/ir/

FACT BOOK 2015

OLC's Fact Book 2015 provides a wide range of long-term, historical data, including financial indicators and quantitative management data.

Segment Review

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Corporate Governance

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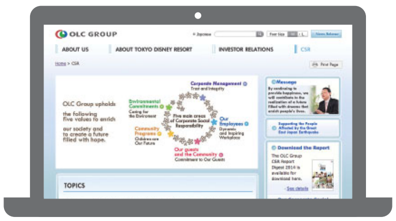
This section includes a message from the Officer in Charge of the Finance/Accounting Department and introduces the OLC Group's financial policies and strategies for enhancing corporate value from a financial aspect. Business results from the fiscal year ended March 31, 2015 are also in this section.

CSR Information

WEB SITE

http://www.olc.co.jp/en/csr/



OLC Group CSR Report Digest 2015

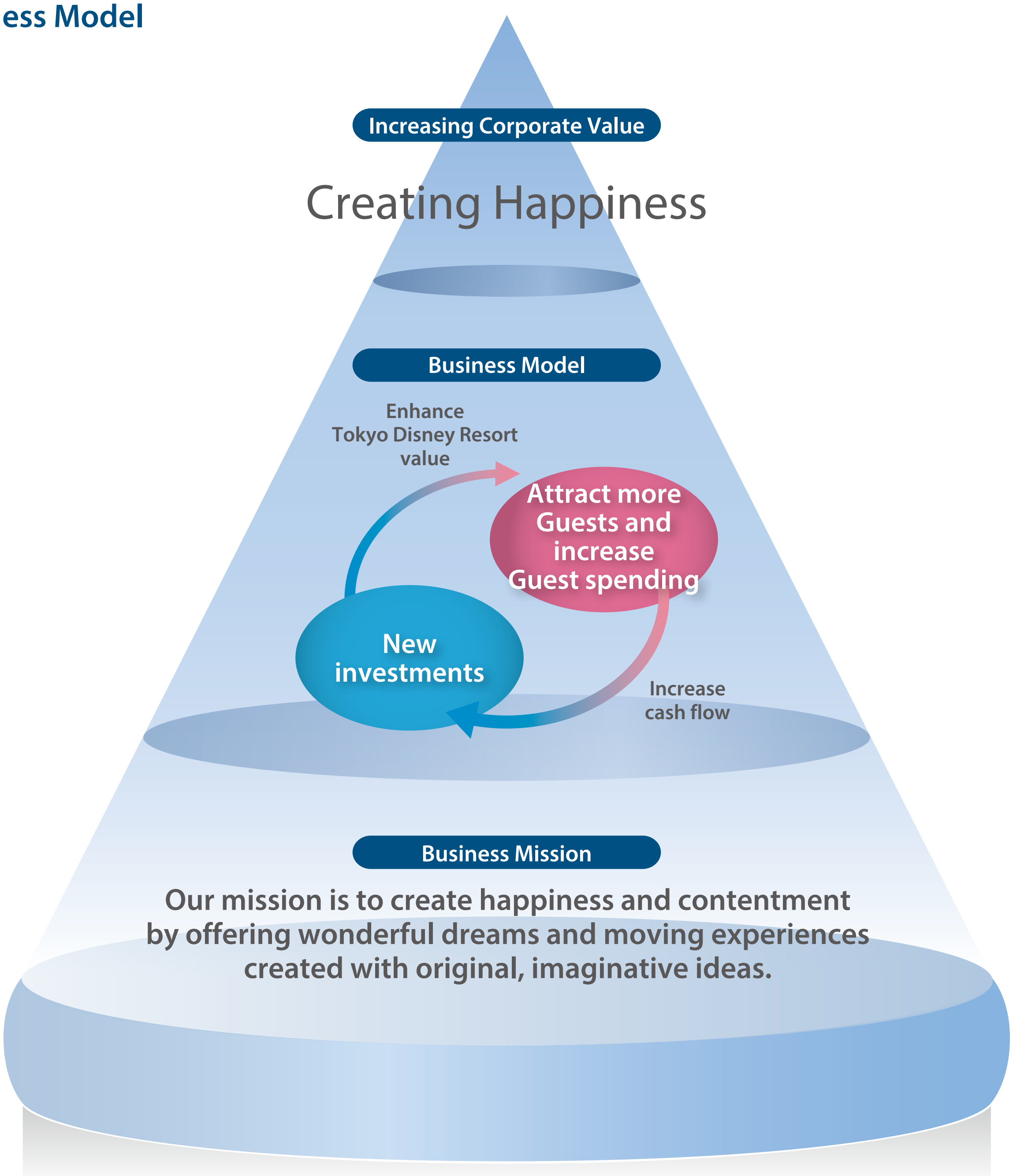
OLC Group CSR Report Digest 2015 provides a wide range of CSR information and data.

OLC's Thoughts on Enhancing Corporate Value

We view corporate value as "the total sum of the happiness of our Guests." Based on this belief, we have evolved the theme parks and delivered happiness to Guests. As a result, we have been able to record continuous profit growth. Going forward, we believe we can deliver even more happiness through our core and new businesses, and will undertake large-scale investments to make that a reality.

We will create new value and deliver greater happiness. As a result, corporate value will be enhanced for Guests as well as for shareholders. This is the aim of the OLC Group.

Business Model



3 Strengths

1. Outstanding Location

- Population of approx. **30 million** living within a 50-kilometer (30-mile) radius

- About **15 minutes** by train from Tokyo Station, about **30 minutes** by shuttle bus from Haneda Airport and about **60 minutes** by shuttle bus from Narita International Airport

2. License from Disney Enterprises, Inc. to Exploit **Unrivaled Brand Power**

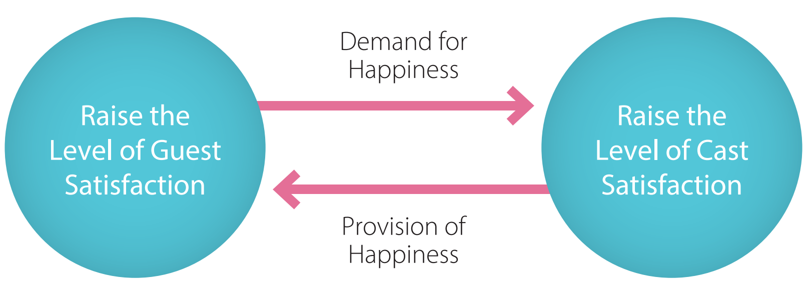
License agreement with Disney Enterprises, Inc.

Operation of Disney-branded facilities in Tokyo Disney Resort®

■ Royalties
Proportionate to revenues (yen-denominated)

■ Disney Enterprises, Inc.
OLC has no capital or personnel relationship

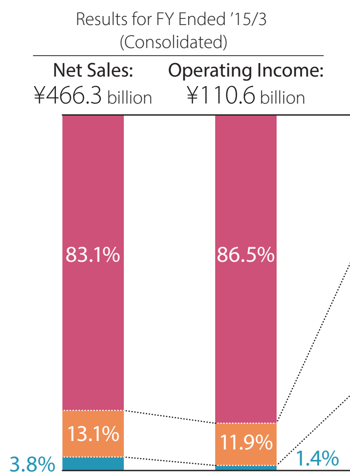
3. Magnificent Hospitality



SEGMENT INFORMATION

More Than 80% of Net Sales and Operating Income Come from the Theme Parks

■ Breakdown by Segment and Content of Segments



Theme Park Segment
- Tokyo Disneyland
- Tokyo DisneySea

Hotel Business Segment
- Tokyo Disneyland Hotel
- Tokyo DisneySea Hotel MiraCosta
- Disney Ambassador Hotel and others

Other Business Segment
- Ikspiari
- Disney Resort Line and others

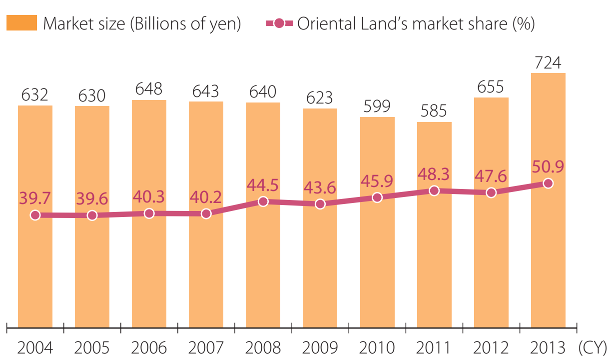
ADVANTAGE IN THE MARKET

No.1 in Domestic Market & Theme Park Attendance

Oriental Land's Share in Domestic Market

Approximately 50%

■ Amusement and Leisure Parks:
Market Size and Oriental Land's Share



Source: *White Paper of Leisure 2014* (August 2014, Japan Productivity Center)
Note: Data used to calculate Oriental Land's market share is based on figures for the fiscal year.

Annual Attendance at Our Theme Parks

Over 30 Million Guests

■ Annual Attendance Ranking among Japanese Theme Parks

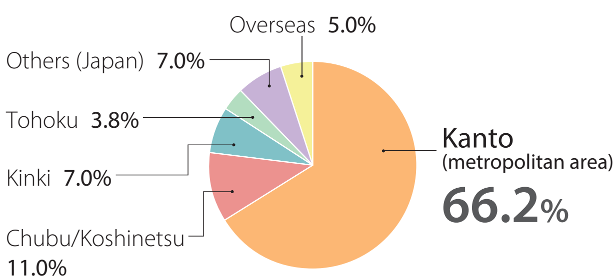
	Name of facility	Attendance (thousands)
1	**Tokyo Disneyland** **Tokyo DisneySea**	**31,298**
2	Universal Studios Japan	10,500
3	HUIS TEN BOSCH	2,477
4	Shima Spain Village "PARQUE ESPANA"	1,418
5	Ryukyu Mura	1,200

Source: Japan Amusement & Recreation Park Data Book 2015
(Ranking based on the fiscal year ended March 31, 2014)

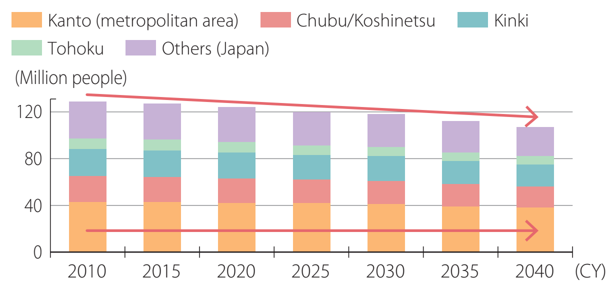
GUEST PROFILE

Over 65% of Guests Are from the Tokyo Metropolitan Area Stable Metropolitan Area Population Projected

■ Breakdown of Guests by Region



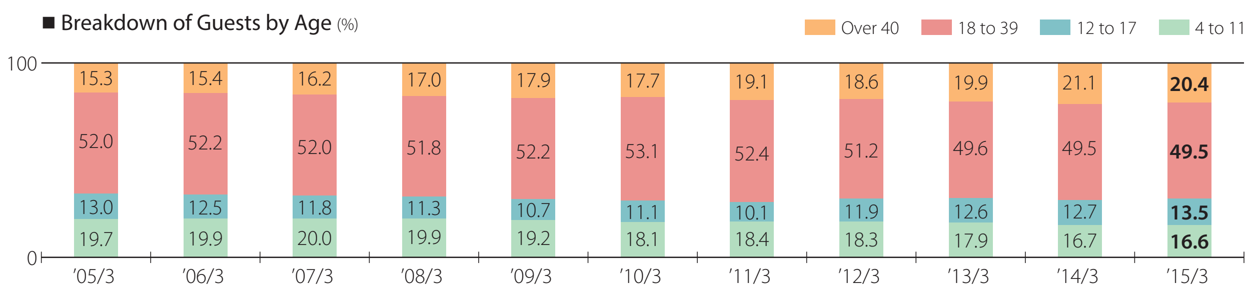
■ Regional Population Projections for Japan: 2010–2040



Source: Regional Population Projections for Japan: 2010–2040 (March 2013) by National Institute of Population and Social Security Research

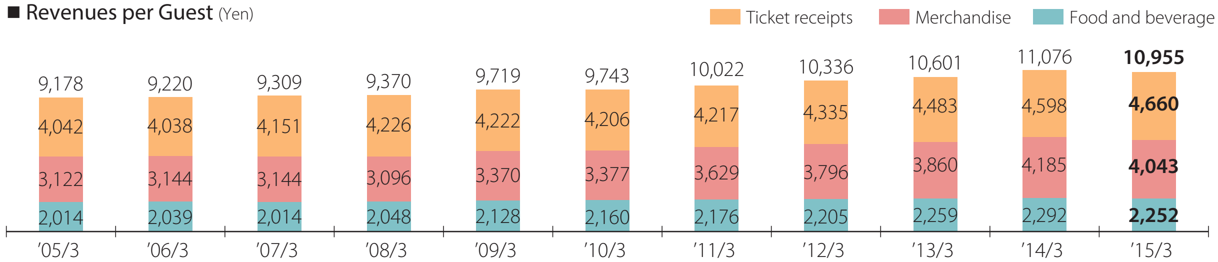
About 70% of Guests Are Adults (Over 18) and About 20% of Guests are Over 40

■ Breakdown of Guests by Age (%)



Revenues per Guest ¥10,955 and Average Length of Visit 9.0 Hours

■ Revenues per Guest (Yen)



■ Average Length of Visit (hours)

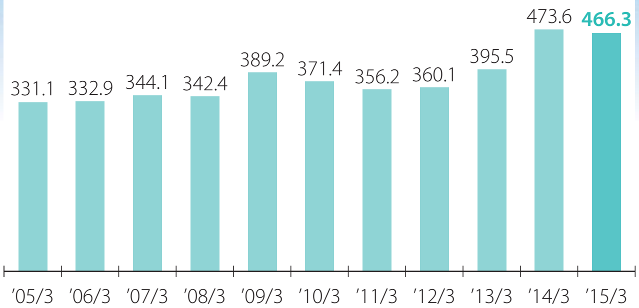
'05/3	'06/3	'07/3	'08/3	'09/3	'10/3	'11/3	'12/3	'13/3	'14/3	'15/3
8.5	8.4	8.4	8.4	8.4	8.4	8.4	8.7	8.7	8.9	**9.0**

Eleven-Year Performance Indicators and Summaries

Revenues

466.3 billion yen

↓1.5%
(decreased 7.3 billion yen)

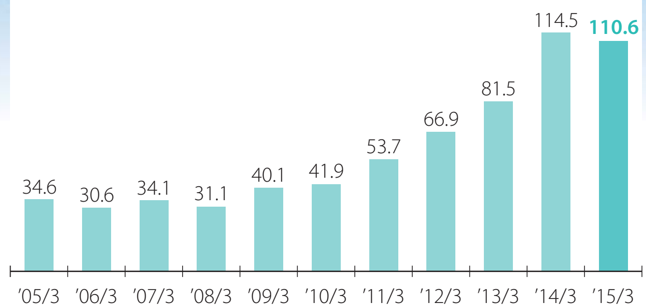


Revenues were temporarily affected by the Great East Japan Earthquake, but have since climbed to a higher level on the back of enhanced theme park value that led to increases in theme park attendance and revenues per Guest. Together with such factors as the opening of the Tokyo Disneyland Hotel in the fiscal year ended March 31, 2009, the Maihama area has achieved further growth as a theme park resort area over the past decade. The fiscal year ended March 31, 2015 achieved record-high theme park attendance. However, since the previous year was a period of anniversary events, revenues decreased ¥7.3 billion year on year to ¥466.3 billion.

Operating Income

110.6 billion yen

↓3.4%
(decreased 3.9 billion yen)

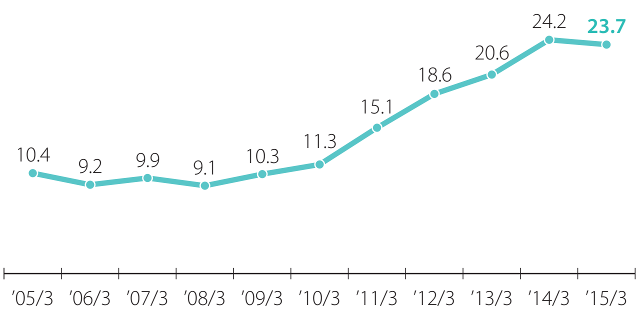


Operating income had remained in the ¥30 billion range until the fiscal year ended March 31, 2008, but since then has increased substantially, and in the past two years it has grown to be in the ¥110 billion range. This reflects an increase in revenues and control of fixed and miscellaneous costs without affecting the value Guests' experiences while implementing cost and investment control measures based on a sound sales plan, as well as a decrease in depreciation and amortization relating to Tokyo DisneySea, which opened in the fiscal year ended March 31, 2002. However, since the previous year was a period of holding commemorative events, operating income declined ¥3.9 billion year on year to ¥110.6 billion in the fiscal year ended March 31, 2015 due to lower revenues.

Operating Margin

23.7%

↓0.5 of
a percentage point

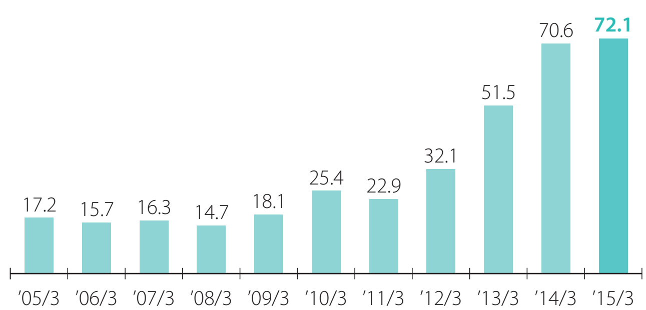


The operating margin has risen in conjunction with increased revenues and operating income, resulting in a level exceeding 20%. This is because the theme park business is an equipment-based industry with high fixed costs, so rising revenues are likely to result in an increased operating margin. Since the previous year was a period of holding anniversary events, the operating margin for the fiscal year ended March 31, 2015 was 23.7%, down 0.5 of a percentage point year on year due to lower revenues and operating income.

Net Income

72.1 billion yen

↑2.1%
(increased 1.5 billion yen)

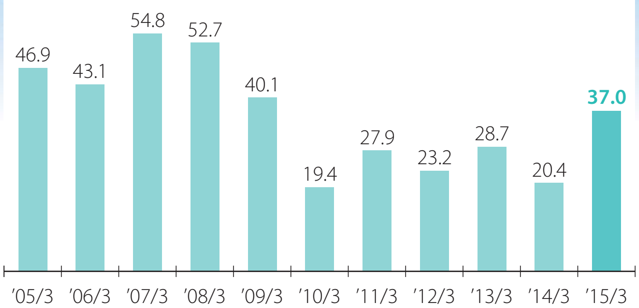


Net income had been in the ¥10 billion range until the fiscal year ended March 31, 2009, but in the past two years it has climbed to a level exceeding ¥70 billion. Despite recording extraordinary losses in the fiscal years ended March 2011 and 2012 as a result of the Great East Japan Earthquake, increased operating income and a reduction in the interest burden due to decreases in interest-bearing debt resulted in net income continuing to increase in these two fiscal years. Despite a small decrease in operating income, net income for the fiscal year ended March 31, 2015 increased ¥1.5 billion year on year to ¥72.1 billion due to a decrease in income taxes.

Capital Expenditures

37.0 billion yen

↑81.8% (increased 16.7 billion yen)

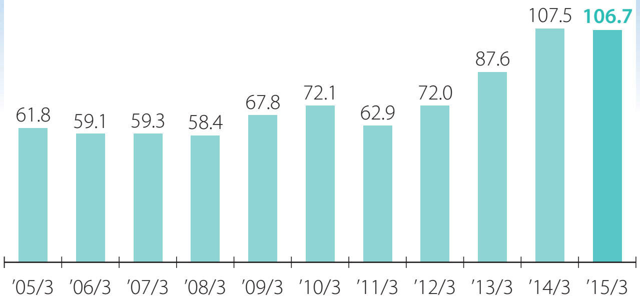


OLC enhances theme park value through continued investment and has achieved growth through a cycle of cash creation. Capital expenditures exceeded ¥40 billion annually until the end of the fiscal year ended March 31, 2009, which was the expansion period of the core business, but since then capital expenditures have been just under ¥30 billion annually. Under the 2016 Medium-Term Plan, which outlines a policy of investing ¥500 billion in the theme park business over 10 years from the year ended March 31, 2015, capital expenditures in the fiscal year ended March 31, 2015 increased ¥16.7 billion year on year to ¥37 billion due to new products and increases in renewals and improvements.

Operating Cash Flow*

106.7 billion yen

↓0.7% (decreased 0.8 billion yen)



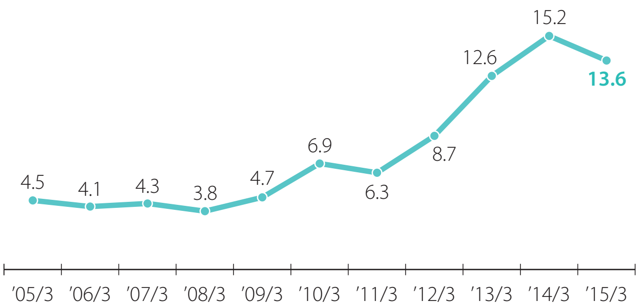
Over the past 11 years, operating cash flow has grown from the ¥60 billion level to a level in the ¥100 billion range. Under the 2016 Medium-Term Plan for the fiscal year ended March 31, 2014 to the fiscal year ending March 31, 2016, OLC aims to create operating cash flow of over ¥280 billion during the three-year period. In the past two years, OLC has been steadily progressing toward achieving this target. In the fiscal year ended March 31, 2015, operating cash flow decreased ¥0.8 billion year on year to ¥106.7 billion due to a drop in depreciation and amortization despite an increase in net income.

* Operating cash flow = Net income + Depreciation and amortization

Return on Equity (ROE)

↓1.6 percentage points

13.6%

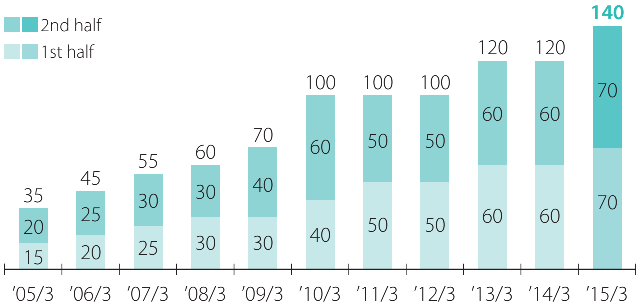


We aim to achieve ROE of 8% or more. Based on this policy profit growth and repurchasing shares of the Company's stock from the fiscal year ended March 31, 2009 through to the fiscal year ended March 31, 2011 improved ROE. From the fiscal year ended March 31, 2012 onward, it has risen together with the growth in net income. However, in the fiscal year ended March 31, 2015, ROE declined 1.6 percentage points year on year to 13.6% due to an increase in retained earnings despite an increase in net income.

Cash Dividends per Share

↑20 yen

140 yen

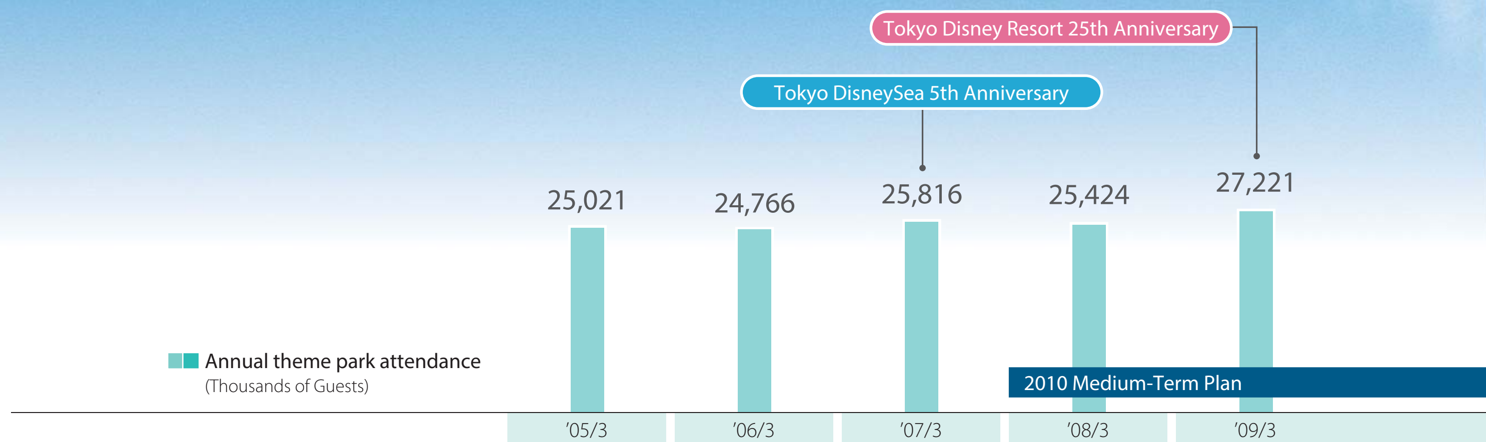


Based on a dividend policy of aiming to pay stable cash dividends while taking external factors into consideration, cash dividends per share for the year ended March 31, 2015 were ¥140, an increase of ¥20 from the previous fiscal year. OLC has never reduced dividends and is rigorous in enacting shareholder returns. In April 2015, we conducted a 4-for-1 stock split. OLC is planning to pay a dividend of ¥35* for the year ending March 31, 2016.

* Based on the standards before the stock split this will be ¥140, the same as for the fiscal year ended March 31, 2015.

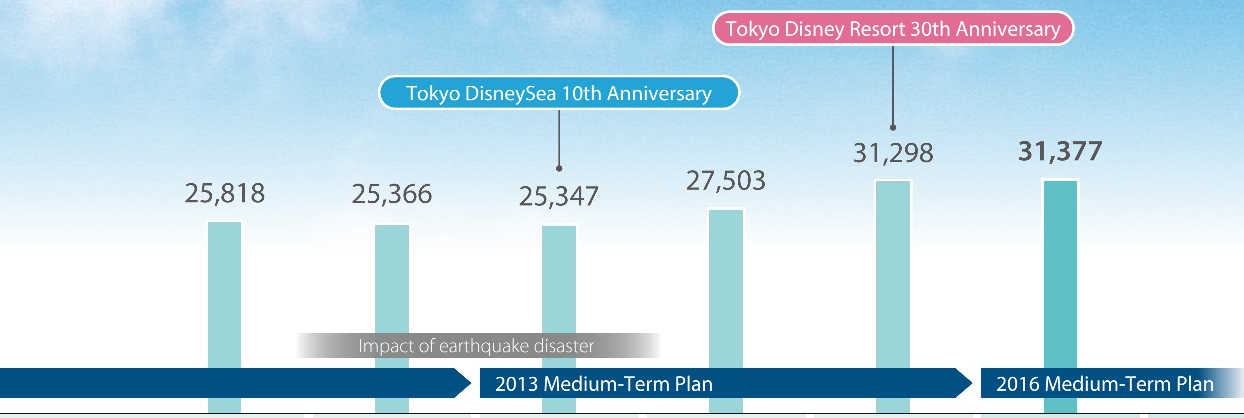
Eleven-Year Financial Highlights

Oriental Land Co., Ltd. and Consolidated Subsidiaries
Fiscal Years Ended March 31



	'05/3	'06/3	'07/3	'08/3	'09/3
FOR THE YEAR:					
Revenues	¥331,094	¥332,885	¥344,083	¥342,422	¥389,243
Operating income	34,562	30,605	34,111	31,144	40,096
Net income	17,224	15,704	16,309	14,731	18,089
Capital expenditures*2	46,855	43,129	54,807	52,691	40,140
Depreciation and amortization	44,555	43,374	42,951	43,623	49,733
EBITDA*3	79,117	73,979	77,062	74,767	89,829
Operating cash flow*4	61,779	59,078	59,260	58,354	67,822
Free cash flow*5	14,924	15,949	4,453	5,663	27,682
AT YEAR-END:					
Total assets	660,225	718,866	699,772	757,542	644,992
Total net assets*6	389,714	375,947	385,001	388,181	373,660
Interest-bearing debt	202,449	266,945	235,626	294,320	193,019
PER SHARE DATA*7:					
Net income (EPS)	¥ 171.19	¥ 162.73	¥ 171.46	¥ 154.86	¥ 196.84
Net assets (BPS)	3,890.51	3,950.49	4,046.03	4,079.44	4,109.59
Cash dividends	35.00	45.00	55.00	60.00	70.00
SELECTED FINANCIAL DATA:					
Operating margin	10.4%	9.2%	9.9%	9.1%	10.3%
Return on assets (ROA)	2.6	2.3	2.3	2.0	2.6
Return on equity (ROE)	4.5	4.1	4.3	3.8	4.7
Equity ratio	59.0	52.3	55.0	51.2	57.9
Dividend payout ratio	20.4	27.7	32.1	38.7	35.6
Annual theme park attendance (Thousands of Guests)	25,021	24,766	25,816	25,424	27,221
Revenues per Guest (Yen)	9,178	9,220	9,309	9,370	9,719
Ticket Price (Yen)*8	5,500	5,500	5,800	5,800	5,800

*1. The U.S. dollar amounts are provided for convenience only and have been converted at the rate of ¥120.17 to U.S.$1, the prevailing exchange rate at March 31, 2015.
*2. Capital expenditures includes tangible and intangible assets and long-term prepaid expenses.
*3. EBITDA = Operating income + Depreciation and amortization
*4. Operating cash flow = Net income + Depreciation and amortization



'10/3	'11/3	'12/3	'13/3	'14/3	**'15/3**	**'15/3 / '14/3**	**'15/3**
					Millions of yen	Percent change	Thousands of U.S. dollars*1
¥371,415	¥356,181	¥360,061	¥395,527	¥473,573	**¥466,292**	**(1.5)%**	**$3,880,270**
41,924	53,664	66,923	81,467	114,491	**110,605**	**(3.4)**	**920,404**
25,427	22,908	32,114	51,484	70,572	**72,063**	**2.1**	**599,675**
19,419	27,904	23,210	28,730	20,367	**37,034**	**81.8**	**308,180**
46,695	39,985	39,850	36,132	36,934	**34,637**	**(6.2)**	**288,233**
88,619	93,649	106,773	117,599	151,426	**145,242**	**(4.1)**	**1,208,638**
72,122	62,893	71,964	87,616	107,506	**106,700**	**(0.7)**	**887,909**
52,703	34,989	48,754	58,886	87,139	**69,666**	**(20.1)**	**579,729**
615,090	574,635	619,494	655,544	664,539	**746,641**	**12.4**	**6,213,206**
366,473	357,779	383,085	432,262	493,697	**564,129**	**14.3**	**4,694,424**
173,289	142,937	149,580	124,020	58,448	**57,842**	**(1.0)**	**481,334**
					Yen	Percent change	U.S. dollars*1
¥ 280.17	¥ 265.26	¥ 384.98	¥ 616.96	¥ 845.32	**¥ 862.89**	**2.1%**	**$ 7.18**
4,240.59	4,288.99	4,592.03	5,178.67	5,912.53	**6,754.11**	**14.2**	**56.20**
100.00	100.00	100.00	120.00	120.00	**140.00**	**16.7**	**1.17**
					%	Amount change	
11.3%	15.1%	18.6%	20.6%	24.2%	**23.7%**	**(0.5) percentage points**	
4.0	3.9	5.4	8.1	10.7	**10.2**	**(0.5)**	
6.9	6.3	8.7	12.6	15.2	**13.6**	**(1.6)**	
59.6	62.3	61.8	65.9	74.3	**75.6**	**1.3**	
35.7	37.7	26.0	19.5	14.2	**16.3**	**2.1**	
						Percent change	
25,818	25,366	25,347	27,503	31,298	**31,377**	**0.3%**	
9,743	10,022	10,336	10,601	11,076	**10,955**	**(1.1)**	
5,800	5,800	6,200	6,200	6,200	**6,400**	**3.2**	

*5. Free cash flow = Net income + Depreciation and amortization – Capital expenditures
*6. Total net assets as of March 31, 2006 and 2005 have been restated in accordance with a change in accounting standards.
*7. In April 2015, OLC conducted a 4-for-1 stock split. Figures are calculated based on the number of shares before the stock split.
*8. Ticket prices are for a 1-day Passport (adult).

Management Message

Message from the Chairman

We Believe in Our Origins

Tokyo Disney Resort welcomed a record 31.38 million Guests in the year ended March 31, 2015. I would like to take this opportunity to extend my sincere gratitude to our stakeholders for their unwavering support over the years.

Going back to origins, I always value the idea when it comes to making management decisions. In the past, when making significant management decisions, I have always gone back to the Company's and my own origins, and then made my decision.

Last year, the OLC Group decided to make its largest investment since its foundation, and to start taking on the challenge of maximizing our theme parks' value. We want to make sure that Guests always have new surprises and excitement whenever they visit. This simple thought is our origin. Just as Walt Disney stated that "Disneyland will never be completed," to deliver happiness to our Guests I believe we should always take on new challenges and continue evolving.

For me, the Disney character Dumbo was my first Disney experience. I was on my way home after having seen the university entrance exam results and went to see the Disney movie *Dumbo*. Watching the huge elephant flying in the sky, I can still remember the moving experience of having your dreams come true. This moving experience was the origin of my current desire to give all Guests a moving experience as though they were visiting a completely new theme park.

What Guests who visit our theme parks want is always changing. And in recent years, the pace of that change has accelerated remarkably. We do not want to overlook even the slightest change and must respond to change with a sense of speed and flexibility. However, regardless of how much others have changed, it is important to look back at your origins and once again discern what should be changed and what shouldn't be changed.

We will move forward while continuing to take on new challenges but not lose sight of our origins and provide Guests with new surprises and moving experiences. We want to proceed with management that delivers Tokyo Disney Resort to Japan and onto the world as an urban resort filled with happiness like no other in the world. To our stockholders and investors, we invite you to look for even greater improvement in stockholder value over the long term, and humbly ask for your even greater support for our endeavors.

August 2015

Representative Director,
Chairman and CEO

Toshio Kagami

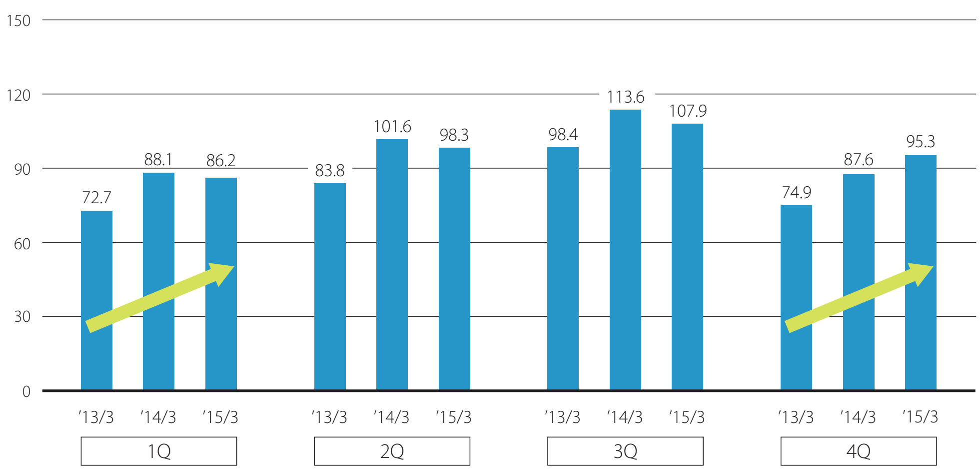
Summary of the Fiscal Year Ended March 31, 2015

Q. Attendance exceeded forecasts and marked a record high. What is your assessment of this?

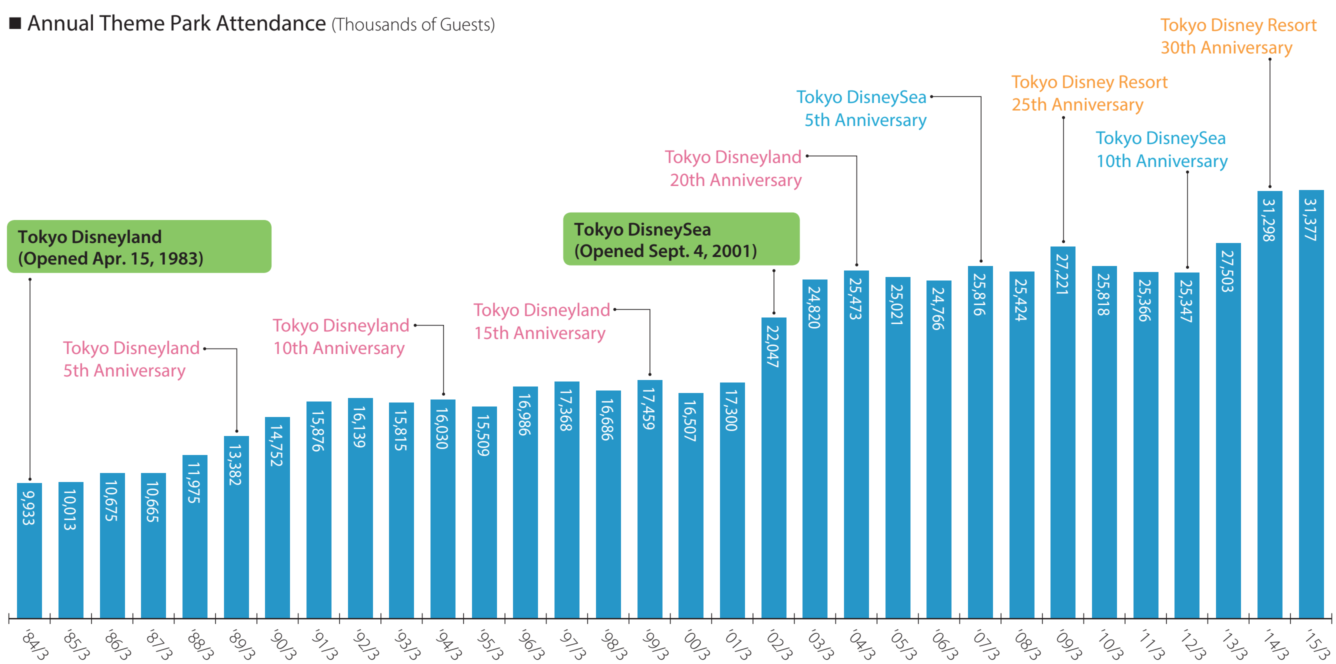
There has been a trend to break attendance records in years when anniversary events are held, which is then followed by a year in which attendance does not reach the same level as the previous year. It goes without saying that we had taken measures to curb this reaction in the fiscal year ended March 31, 2015, but at the beginning of the fiscal year under review, we never envisaged that attendance for the fiscal year would exceed that of the previous fiscal year, which marked the 30th anniversary of Tokyo Disney Resort.

The main reasons for the attendance being so high were the popularity of new products and special events held at both parks throughout the year, including the new Tokyo Disneyland nighttime entertainment "Once Upon a Time" and the new attraction "Jungle Cruise: Wildlife Expeditions." The new special event "Anna and Elsa's *Frozen* Fantasy" based on the Disney movie *Frozen* contributed to the increase in attendance during the fourth quarter. We also successfully conducted a special limited-time version of "Once Upon a Time." This nighttime entertainment has been very popular since its first performance in May 2014.

■ Quarterly Revenues in the Theme Park Segment (Billions of yen)



■ Annual Theme Park Attendance (Thousands of Guests)



Q. Please tell us about the effects of introducing "Once Upon a Time" and "Anna and Elsa's *Frozen* Fantasy."

"Once Upon a Time" is a nighttime entertainment that uses existing projection mapping technology that is projected onto Cinderella Castle and uses music and special effects combined with an enjoyable Disney story that resonates with Guests of all ages. Attendance for the purpose of seeing "Once Upon a Time" in the evening increased and Guests changed the way they used their time at the park in terms of things such as entering the park as closing time approached.

"Anna and Elsa's *Frozen* Fantasy" rode on the back of a wave of a huge hit movie, which was reflected in its ability to attract attendance. The decision to have an event based on *Frozen* was made in May 2014, eight months before the event started. Winter was selected for the start of the event as it is the season most associated with the movie and it was believed that this would please Guests. Usually, preparation for events takes about one and a half years, so being able to carry this out in half the normal time and being able to attract so many Guests in the midwinter fourth quarter gave us confidence. On the other hand, there is strong concern that the park was congested for this time of the year. This is because during most fourth quarters, we usually have fewer Guests due to cold weather and operating hours that are shorter due to nighttime work that requires the power to be halted, yet more Guests than expected visited the park. A decision has been made to hold "Anna and Elsa's *Frozen* Fantasy" in the year ending March 31, 2016, and we are examining the details of the event and park operations to further satisfy Guests.

The events were not only popular with Guests, they also changed the way Guests enjoyed the parks. Once again, we were made aware of the importance of enhancing the theme park value through the Guest's entire experience creating new values and always remaining responsive to the Guests' changing needs.

"Once Upon a Time" (Tokyo Disneyland)

"Anna and Elsa's *Frozen* Fantasy" (Tokyo Disneyland)

Q. How is the enhancement of theme park value reflected in pricing?

OLC has adopted a strategy of setting prices reflecting experience value. With this strategy in mind, we reviewed ticket prices in conjunction with enhancing theme park value. P.10 Eleven-Year Financial Highlights In April 2015, we revised ticket prices for the first time since the last revision four years ago, excluding the increase in the consumption tax. Over that time, we introduced numerous facilities and entertainments at each park and enriched Guest services, raising theme park value. Theme park value is determined by a variety of indicators, based on data from surveys on matters such as Guest satisfaction and desire to revisit rate. Regarding revising prices, we considered such factors as the macroeconomic environment and price sensitivity.

Meanwhile, we are working toward creating new value. At Tokyo DisneySea, the introduction of a new character, Gelatoni, during the fiscal year ended March 31, 2015 led to extremely brisk sales related to Duffy. This year marks 10 years since the introduction of Duffy, and we are focusing on creating characters and products with enduring popularity and nurturing them. In addition, character room renovations at Tokyo Disneyland Hotel allowed for raising rates for each room. Going forward, we will continue new value creation to enhance unit prices in the medium- to long-term.

Duffy and Gelatoni

Character room
("Disney's Alice in Wonderland Room"
at Tokyo Disneyland Hotel)

Progress on the 2016 Medium-Term Plan and Future Forecasts

Q. Please tell us about progress on the 2016 Medium-Term Plan.

Establishing the 2016 Medium-Term Plan involved setting "OLC in 2023," which formed the management philosophy of connecting market changes going forward with growth.

Under the 2016 Medium-Term Plan, resources are being accumulated in preparation for investment in the core or new businesses for operating cash flow*. As a result, we are aiming to improve revenues from the aspect of both theme park attendance and revenues per Guest. As of the end of March 2015, we are ahead of the plan and progressing smoothly. P.21 Operating cash flow and capital expenditures

Work to realize specific aspects of "OLC in 2023" is also moving ahead. In April 2015, decisions were made on the theme policies for areas in both parks, which will undergo large-scale development investments. P.23 Continually Evolving Theme Parks We will look into the possibility of providing information in greater detail about the plan during 2015.

In regard to new business, the aim under "OLC in 2023" is to have a one-segment level business scale, but progress will not be made hastily in the belief that something needs to be done. Instead, time will be spent researching and investigating while moving forward with caution. By developing new businesses capable of contributing to future earnings, this plan will build a firm management foundation as we aim for long-term, sustainable growth.

* Operating cash flow = Net income + Depreciation and amortization

Q. Please tell us how the theme parks will change by 2023.

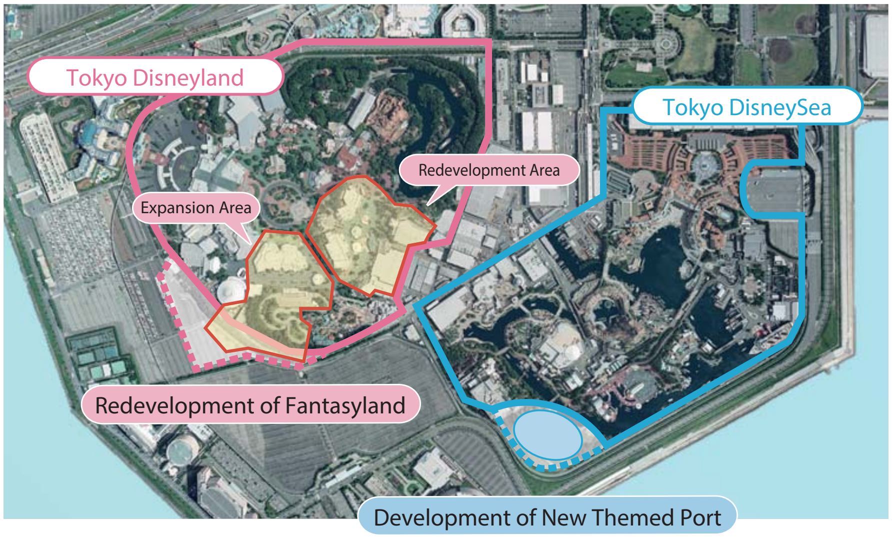
OLC believes the market is changing, mainly due to increases in the middle-aged and elderly population and the number of foreign visitors to Japan. To respond to these changes and maximize the value of the theme parks, we have enhanced family-oriented products in all manner of ways and are moving ahead with maintenance to create an even more comfortable environment. The main focus of this will be the redevelopment of Fantasyland at Tokyo Disneyland and the development of the new themed port at Tokyo DisneySea in a large-scale development initiative aiming to give great impact on enhancement of theme park value and to increase capacity.

Fantasyland is a particularly popular area within Tokyo Disneyland. Through the reorganization of adjoining Tomorrowland and expansion into part of the backstage area and the parking lots (expansion area), Fantasyland (redevelopment area) will be expanded. At this time, existing facilities will be renovated or removed with a view to expanding capacity. For example, "Grand Circuit Raceway" in Tomorrowland takes up about half the space of the expansion area, so as envisaged in the current redevelopment concept, we believe establishing multiple facilities there would increase capacity. Redevelopment of an entire area like this is the first such undertaking since opening.

Tokyo DisneySea's new themed port development will use land set aside for expansion. OLC foresaw expansion even before the construction of Tokyo Disneyland and secured expansive tracts of land. That enabled construction of Tokyo DisneySea and the experience prompted several plots to be set aside for the future expansion of Tokyo DisneySea. The new themed port will have a Scandinavian theme and will be constructed as an area to experience the world of the Disney film *Frozen*, a favorite among a wide variety of people.

We think that realizing this large-scale development initiative will undoubtedly create a feeling that the parks have been reborn.

■ Grand Circuit Raceway



Dotted lines mark the expansion sites for the large-scale development of the Parks (including Backstage areas).

Note: These are concept images only and are subject to change.

Redevelopment of Fantasyland (Tokyo Disneyland)

New themed port inspired by Scandinavia (Tokyo DisneySea)

Q. To what extent do you forecast that the realization of the large-scale development initiative will attract more Guests?

In "OLC in 2023," we set the goal of constantly attracting 30 million or more theme park Guests and at the same time elevating the level of Guest satisfaction by 2023. To attain that goal, our policy is to make an investment at the ¥500 billion level in the theme park business.

Attendance significantly exceeded initial estimates and we attracted over 30 million Guests in the years ended March 31, 2014 and 2015. But that was because the year ended March 31, 2014 featured events marking the 30th anniversary of Tokyo Disney Resort and the year ended March 31, 2015 benefitted from the effects of the aforementioned "Once Upon a Time" and "Anna and Elsa's *Frozen* Fantasy," so we consider attendance in both years to have had extraordinary causes. Nonetheless, we will look at the state of attendance in previous fiscal years and project that attendance will be 30.40 million in the year ending March 31, 2016.

Meanwhile, there were times and days when the parks were overcrowded and we are aware that this is an important issue. We tried to alleviate crowding through measures such as reviewing operating hours and promoting weekday visits, but we do not think these were sufficient. Ultimately, this led us to think anew of the needs to enhance theme park value and capacity through a large-scale investment. We fully understand that this investment means that we will be expected to increase attendance. Going forward, in conjunction with the realization of the large-scale development, we will closely examine the target number of visitors every fiscal year. We seek lasting enhancement of corporate value. The fastest way to do that is by thinking of Guests' satisfaction first. By realizing the large-scale development initiative, we will leave Guests in the ultimate state of wanting to return to the parks and can achieve our targeted level of attendance.

Q. Finally, please give us your forecast of performance through to 2023?

Regarding attendance, we will make a projection while watching the performance of the content introduced each fiscal year. Specific opening times for each facility included in the large-scale development initiative will be determined during 2015. As well as this, we have commemorative events every few years, like the year ending March 31, 2017, marking the 15th anniversary of Tokyo DisneySea, and the year ending March 31, 2019, the 35th anniversary of Tokyo Disney Resort, so we will continue doing as we have done until now and introduce new content. During the time that the large-scale development initiative is being realized, part of an area within Tokyo Disneyland will be temporarily unusable, but through creative construction methods, such as constructing in stages and opening completed sections sequentially, we feel we will be able to minimize any impact on attendance. Regarding revenues per Guest, if we continue to enhance theme park value, we can probably review things such as ticket pricing.

OLC views operating cash flow as the most appropriate indicator in grasping the Company's financial state over the passage of time. We forecast operating cash flow to grow in the long term, though there may be fluctuations in individual years along the way. P.21 Operating cash flow and capital expenditures Our plan for the cash generated is to continue large-scale investment in the theme park business and new business, as well as to return it to shareholders as we have always done. P.21 3-2 Cash dividends By investing in new business and not only in the core business, we aim for the long-term development of corporate value.

We would like to ask our stockholders and investors to expect even greater enhancement of our corporate value in the long term. Please continue to support our efforts.

2016 Medium-Term Plan

We presented "long-term sustainable growth in the core business" and "achieving further growth through new business" as the two pillars of "OLC in 2023." The 2016 Medium-Term Plan was formulated to cover the initial three year period, and by managing with a focus on the long term, we will strive to enhance theme park value.

Quantitative Target:	Operating cash flow* of over ¥280 billion in a three-year period

Toward "OLC in 2023," we will endeavor to maximize cash flow from operating activities to make large-scale investments in our core business and fund investments in new business

* Operating cash flow = Net income + Depreciation and amortization

1 Sustainable growth of the core business	1-1 Enhance theme park value 1-3 Pricing strategy that reflects experience value	1-2 Increase theme park attendance by stabilizing attendance levels 1-4 Be more prepared to welcome overseas Guests
2 Further growth through new business	Policy for new business investment	
3 Financial policies	3-1 Process of enhancing corporate value 3-3 ROE (Return on equity)	3-2 Cash dividends

1 Sustainable growth of the core business

1-1 Enhance theme park value

■ Main New Products

Tokyo DisneySea 15th Anniversary

Tokyo Disney Resort 35th Anniversary

Once Upon a Time
[Investment amount approx. ¥2 billion] Started on May 29, 2014 (New nighttime entertainment using projection mapping)

Jungle Cruise: Wildlife Expedition
[Investment amount approx. ¥1.6 billion] Opened on September 8, 2014 (With new effects and music)

New show viewing area in Mediterranean Harbor
[Investment amount approx. ¥2.5 billion] Opened on March 1, 2015

King Triton's Concert
[Investment amount approx. ¥4 billion] Started on April 24, 2015 (New musical show based on the Disney film *The Little Mermaid*)

Renewed Tokyo Disneyland's Electrical Parade *Dreamlights*
[Investment amount approx. ¥2 billion] Scheduled to start on July 9, 2015 (A new float featuring the Disney film *Tangled* will be added)

Stitch Encounter
[Investment amount approx. ¥2 billion] Scheduled to open on July 17, 2015
(Guests can enjoy interacting with Stitch through this theater-type attraction)

New musical show at Hangar Stage
[Investment amount TBA] Scheduled to start in Spring-Summer 2016

New Disney character greeting facility and adjoining restaurant in Westernland
[Investment amount approx. ¥3 billion, including the new restaurant] Scheduled to open in Autumn-Winter 2016

New attraction themed to *Finding Nemo* series
[Investment amount approx. ¥5 billion] Scheduled to open in Spring 2017

Tokyo Disneyland
Tokyo DisneySea

We will decide on and sequentially launch large-scale investment projects and other measures that help us maximize the value of our theme parks

'15/3 '16/3 '17/3 '18/3 '19/3

2016 Medium-Term Plan

Plans announced as of July 1, 2015

1-2 Increase theme park attendance by stabilizing attendance levels

Increase theme park attendance in 1Q and 4Q

Strengthen our capacity to attract Guests by rolling out special events in combination with marketing activities

1-3 Pricing strategy that reflects experience value

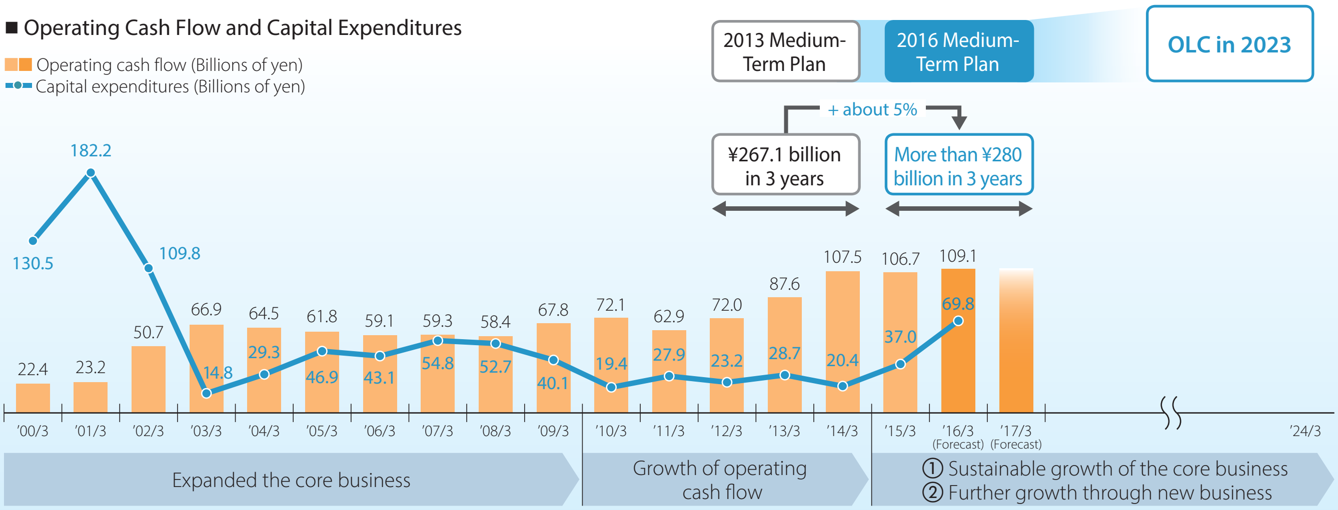
Increase Guest spending in the medium and long term

Increase Guest spending by creating new value and setting prices strategically

1-4 Be more prepared to welcome overseas Guests

Enhance experience value	Aim to enhance experience value by improving both our tangible and intangible features so as to be more prepared to welcome overseas Guests
Strengthen our appeal	Strengthen marketing activities focusing on Southeast Asia, where growth is expected
	Commenced foreign language e-ticket sales in FY ended '14/3 to respond to increasing demand for self-guided travel

■ Operating Cash Flow and Capital Expenditures



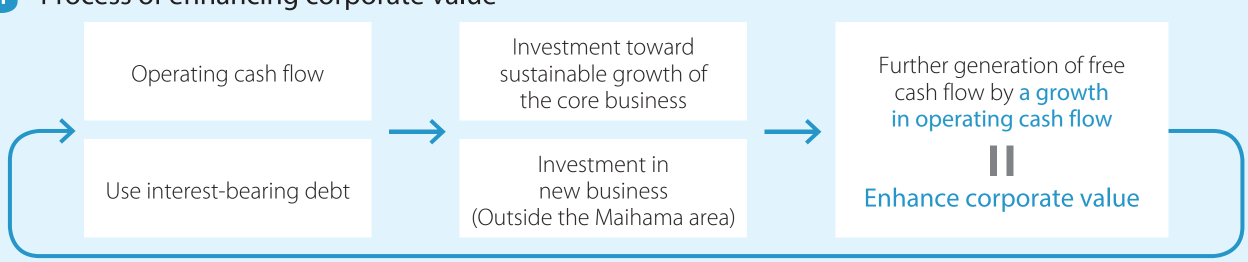
2 Further growth through new business

■ Policy for New Business Investment

Direction	Execute investment for new growth outside the Maihama area
Description of new business	• A business that can bring dreams, moving experiences, happiness and contentment by offering unprecedented value and experiences • Under the 2016 Medium-Term Plan, leisure, entertainment and education businesses will be explored as candidates
Target for FY '17/3	To move forward our research and development of a business with the potential to contribute to our future earnings toward "OLC in 2023"
Investment policy	• A wide range of investment methods will be examined including business alliances and M&As, in addition to launching businesses from scratch • Interest-bearing debt may be used depending on the timing and size of investment • Specific investment projects will be announced when decided

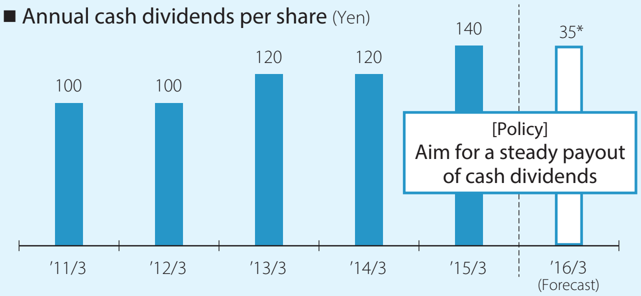
3 Financial policies

3-1 Process of enhancing corporate value



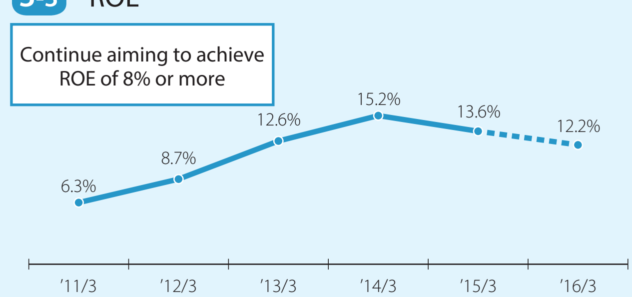
3-2 Cash dividends

■ Annual cash dividends per share (Yen)



* On April 1, 2015 OLC conducted a 4-for-1 stock split.

3-3 ROE



Focus

Happiness Takes Us Higher

In April 2014, the OLC Group announced “OLC in 2023,” the plan for what the Company wants to be in 10 years’ time, and started out to realize that vision. Aiming for a new growth stage and enhancing theme park value will maximize both earnings and Guest satisfaction.

In this Focus section, we use interviews to introduce the tangible and intangible initiatives toward “OLC in 2023.”

Continually Evolving Theme Parks

Satoshi Hayashi
Officer
In charge of Theme Park Facility Development and Resort Creation

Q How do you decide about the development of new areas and attractions?

If we were to make proposals or decide which areas or attractions to develop just on an individual basis, it would not make for a particularly attractive theme park. Firstly, you need to consider what sort of theme park you want to be in ten years' time and formulate a **long-term business plan** toward achieving that, and then conduct a needs assessment that takes an integrated view of attracting Guests, obtaining earnings and providing Guest experience value. This **needs assessment** will analyze various types of data and extract the issues to be dealt with. We undertake comprehensive verification regarding topics such as overcrowding at attractions, entertainment facilities and the park itself and service function issues related to products, food or restrooms.

The selected issues are given an overall assessment that includes urgency, importance and investment efficiency, and priorities are assigned to projects. We then formulate a long-term investment plan called the **10-Year Two Park Menu Plan**. This plan is reviewed every fiscal year.

Individual attraction or facility research and development is started in the fiscal year scheduled in the plan.

1. Long-Term Business Plan → 2. Needs Assessment → 3. 10-Year Two Park Menu Plan

A Specific Example Aimed at Further Growth for Tokyo DisneySea

< Targeted Objective >

Strengthen Tokyo DisneySea's ability to attract Guests

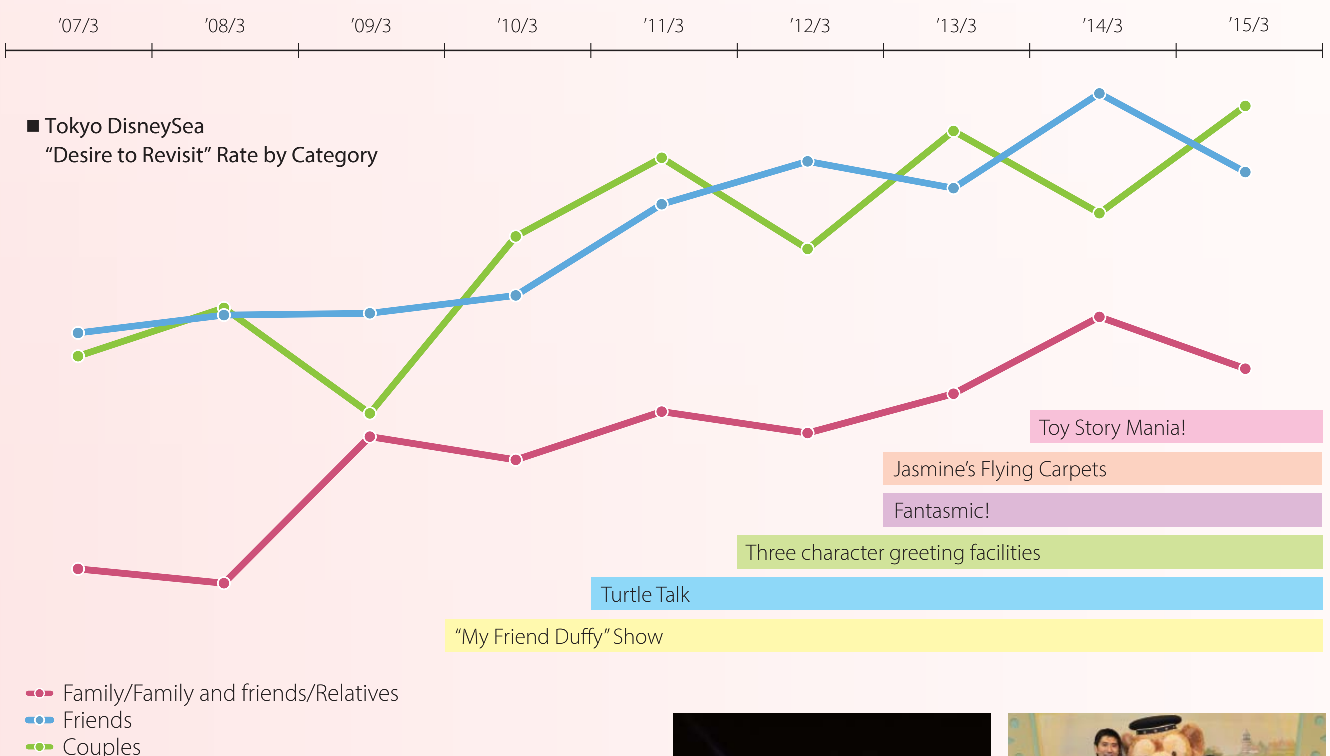
< Identifying the Issue >

Tokyo DisneySea was developed as a theme park for adults to differentiate it from Tokyo Disneyland, so when we looked at Guests visiting as families, their "desire to revisit" rate* revealed there was room for enhancement.

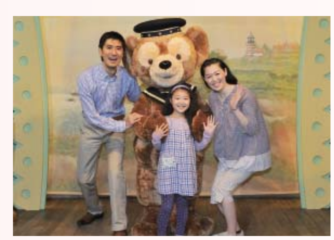
* The "desire to revisit" rate denotes the rate in which Guests selected "I will definitely come back," the highest of five options for responding to the Guest survey question "Do you want to visit Tokyo DisneySea again?" As with the Guest satisfaction index, this is an important assessment indicator for the park's ability to attract Guests in the future.

< Examination of Solution >

From the year ended March 31, 2009 onward, we continuously introduced contents that could be enjoyed by families.



Fantasmic! (FY ended '12/3)



Village Greeting Place (FY ended '12/3)

< Result >

There has been an overall increase in the "desire to revisit" rate of Guests of all categories—not only among the targeted family demographic.

Q Please tell us about the development process and the cooperative relationship with Disney Enterprises, Inc.

The development process within Disney Enterprises, Inc. and OLC starts with an agreement on development requirements for each attraction and area. These development requirements are all clearly defined by items such as Guest satisfaction or capacity objectives, the challenges that need solutions and the experience value that we want to provide to Guests. Actually, it is extremely important that we start formulating these development requirements only after OLC and Disney Enterprises, Inc. have reached an agreement. Without this mutual understanding, we would have to rework things during the development phase.

After coming to an agreement on the development requirements, the actual R&D work starts. Work on a new facility is divided into seven phases. In Phase 1, we develop a firm foundation. In Phase 2, we create a concept, and in Phase 3, evaluate the feasibility of that concept. Phase 4 involves drawing up plans for actual facilities, and in Phase 5, we confirm detailed designs. Then, in Phase 6, specific construction work finally begins, and in Phase 7, equipment and so forth will be erected.

The first three phases are approached as R&D. During and at the end of each phase, OLC and Disney Enterprises, Inc. hold discussions and add changes or revisions if needed. Then, based on the feasibility results of Phase 3, OLC makes a comprehensive assessment including the value provided from the Guests' viewpoint and the investment effect, and a final decision is made on whether to introduce the facility.

Combining all the phases, the period needed for introducing a new facility is about three to five years. In the case of introducing an attraction that already exists at an overseas Disney theme park, this period may be shortened, so this is taken into consideration in the 10-Year Two Park Menu Plan.

What are the aims of the large-scale development initiative for both parks announced in 2014?

I would like to provide Disney moments that exceed Guests' expectations and imagination—moments that can only be experienced in Tokyo Disney Resort.

The direction of redevelopment of Fantasyland at Tokyo Disneyland was decided in April 2015.

In the existing Fantasyland, no special effort has been made to convey the image of a particular worldview, and the area is rather shaped by the theme of "fairy tales," an assembly of a variety of Disney movies. Guests can experience the attractions and enjoy the world of each of the Disney movies. Under the redevelopment of Fantasyland, several areas will newly appear, starting with areas based on the Disney movies *Beauty and the Beast* and *Alice in Wonderland*. Moving into each area will immediately link the emotions to its theme and we believe we will be able to provide a new opportunity to experience the world of Disney movies.

Meanwhile, in April 2015, it was announced that development of the new themed port at Tokyo DisneySea would have an overall Scandinavian theme. This development will recreate the world of *Frozen*, a movie enormously popular across a wide range of ages, thereby enabling Guests to experience the world of Anna and Elsa and aiming to provide an entirely new Disney experience.

Intensive work is being carried out to enable the detailed announcement of a direction for the large-scale development initiative within 2015. People can look forward to this development.

■ Tokyo Disneyland "Redevelopment of Fantasyland"

Area themed to the Disney film *Beauty and the Beast*

Area themed to the Disney film *Alice in Wonderland*

* These images are concept images only and are subject to change.

Going forward, how do you want to contribute to corporate value enhancement in a tangible sense?

I will do this by ensuring that we continue to be selected by people of all ages as the No.1 place that they would like to be in any area, regardless of what is happening, and at any time. As a result, we must have theme parks that are like no other which possess overwhelming product value. In short, our greatest mission is to continue to evolve the theme parks.

We create something new from nothing so there is an aspect, albeit a little exaggerated, of falling seven times and rising eight times in the sense that there are cycles of concerns and struggles involved. But when we fall, we rise again with the feeling that our struggles are going to put smiles on the faces of our Guests, and that all our efforts are directed at making our Guests smile. Going forward, we are confident that Tokyo Disney Resort will continue to evolve in this uplifting manner.

Pursuing Hospitality that Is Unique to Tokyo Disney Resort

2

Yuichi Kaneki
Officer
Director of the Human Resources Division

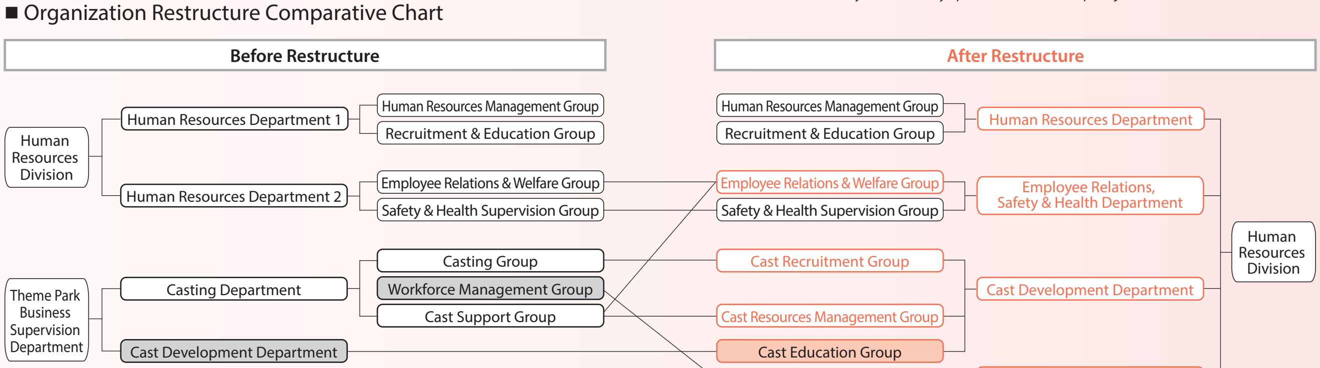
Q There have been significant organizational changes. Please tell us the aims of these changes.

To realize "OLC in 2023," we need to continue evolving our organization and human resources regardless of changes in the environment surrounding our business. At the same time, in our human resources environment, we are facing such factors as recruitment difficulties and changes in employees' working awareness. As a result, "training" is what becomes important. The organization revision we have carried out aims at creating a management structure that, from the viewpoint of nurturing each employee category, streamlines the management of such personnel functions as recruitment, education, assessment and promotion. To this end, limited-term contract employees' recruitment and personnel management functions together with training functions will come under the umbrella of the Human Resources Division and both functions will be unified at the division level.

Moreover, one of the duties of labor administration will be to ensure that each and every employee is healthy, vibrant and positive as this forms an important foundation for working. Therefore, labor administration duties related to limited-term contract employees that had been carried out by the Casting Department were shifted to the Employee Relations, Safety & Health Department to enhance their promotion capabilities.

In addition, as regards the Workforce Management System (a system to correctly manage and assign Cast Members so as to achieve the optimum balance between labor used and Guest services) that is planned to be implemented during the year ending March 31, 2016, the Workforce Management Group was upgraded to the Workforce Management Department and split off autonomously to firmly promote the project.

■ Organization Restructure Comparative Chart



(As of January 2015)





Q What are the key factors in improving human resources training and Cast Hospitality?

For people to grow and achieve results through their work, the most important factor is their relationship with their superiors in management. In the Tokyo Disney Resort business, the role of human resources supporting Cast Members, starting with supervisors, is more significant than ever to enhance Cast Hospitality and to continue to bring Happiness to our Guests. Consequently, from April 2016, we shall move limited-term contract theme park employees who are the direct superiors of Cast Members to corporate employee status. Theme park employees' careers, roles, terms and conditions will be reviewed with the aim of creating an environment where their performance will be able to shine even brighter.

We also redefined the conduct required of management (department directors and managers) and used that as the basis for the comprehensive system of assessment, promotion, training and the like as part of a review of the human resources system and operations. Specifically, this involved stipulating the guidelines for conduct required of management. These guidelines are: Dig—Discover the essence of issues and plan to break it down; Decide—Determine principles and resolve issues; Drive—Take the initiative with ideas and draw a team with you; and Develop—Nurture human resources to form a foundation for all their activities. To realize "OLC in 2023," we want to continue evolving in any environment, to always take on the challenge of tackling unknown issues, and to focus on the growth of human resources and the organization.

This review of the human resources system and operations from the basis of redefining required conduct will be developed in stages not just for management, but also for general employees.

■ Required Conduct of Management

4Ds	Dig	Discover the essence of issues and plan to break it down
	Decide	Determine principles and resolve issues
	Drive	Take the initiative with ideas and draw a team with you
	Develop	Nurture human resources to form a foundation for all their activities




Q Are there policies regarding direct approaches for Cast Members working at Disney facilities in Tokyo Disney Resort?

Our approaches regarding Cast Members involve education, welfare and compensation.

In regard to education, as an OLC original initiative, we have bolstered Cast Hospitality and reviewed program details to further enhance ethics and manners, as well as expanded the scope of eligibility.

For welfare, to give you examples of Tokyo Disney Resort-related initiatives, we are implementing "Thanks Day," where the park is reserved for Cast Members and where management expresses gratitude toward them, and the "Spirit of Tokyo Disney Resort Program" for Cast Members to recognize and honor each other's actions, and the "Five Star Program" where management acknowledges Cast Members' wonderful service. In addition, we have sometimes provided training tours to Disney theme parks in the United States in the past, and we have planned to regularly provide these from the current fiscal year.

As for improvements in employees' terms and conditions, we have reviewed job category compensation, some of which were hourly, taking into account market conditions, and improved working environments by refurbishing locker rooms and restrooms. We have also examined and implemented various types of policies in a manner unique to Tokyo Disney Resort in order to make it an even more fulfilling place to work and provide a sense of growth, as well as to put in place the mechanisms and compensation that support growth.

Q OLC is currently pursuing further growth, but what kind of contributions can be made to enhance corporate value from a human resources perspective?

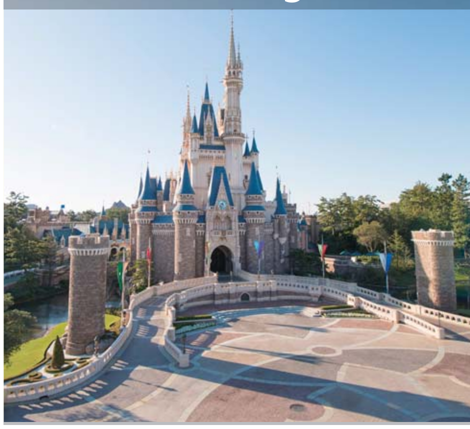
The environment encompassing the tourism industry will transform significantly over the coming decade with events such as hosting of the Tokyo Olympic Games. Japan is aiming to become a tourism-oriented country, perhaps even a tourism superpower, and in this context, the OLC Group believes it can be a core presence both as a company and through its human resources. Human resources who have grown through the Tokyo Disney Resort business or new businesses do not merely contribute to the development of the OLC Group. If we broaden our perspective, we can see that they are also important because they are contributing to the growth of the Japanese tourism industry. Any organization, regardless of when it was formed or where it is located, universally acknowledges the importance of its people, but there is no other business or industry where the inherent shining vitality of people is as important as it is in our business and industry.

Because of that, the ideal human resources from my point of view are what I refer to as "piercing human resources" management. Piercing human resources management is not the optimum allocation of resources from the Human Resources Division's viewpoint, but they are the type of human resources which resonate in the heart of each and every employee, and which can make a firm contribution to our business. For that reason, I believe it is imperative that the Human Resources Division aims to impart a sense of value, share consideration for people and support management to create growth, while at the same time supporting the growth of each person through their daily work. Moreover, this connects to the realization of a unique kind of hospitality that I am sure will contribute to enhancing the corporate value of the OLC Group.

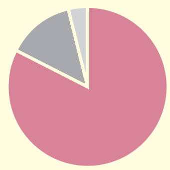
Segment Review

Review of Consolidated Operations

Theme Park Segment



Percentage of Total Revenues

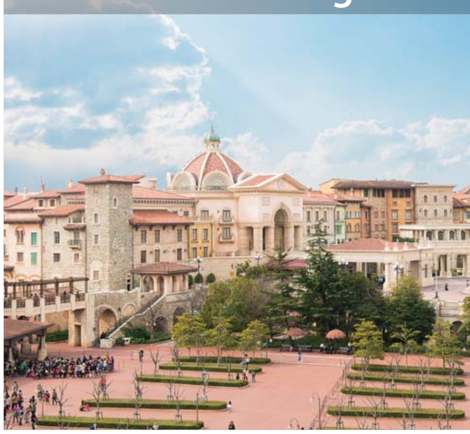


83.1%

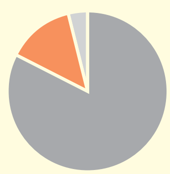
- The main facilities of the Theme Park Segment are Tokyo Disneyland and Tokyo DisneySea.
- Tokyo Disneyland opened in April 1983 and Tokyo DisneySea in September 2001. Total cumulative attendance at the two theme parks surpassed 600 million.
- Tokyo Disneyland and Tokyo DisneySea have an approximately 50%* share of the Japanese amusement and leisure park market.
- Revenues of the Theme Park Segment are broadly divided into attractions and shows, merchandise and food and beverage.

▪ Attractions and shows revenues include ticket receipts and parking receipts.
▪ Merchandise revenues include sales of merchandise at Bon Voyage and commercial facilities within affiliated hotels, in addition to commercial facilities within the theme parks.
▪ Food and beverage revenues include sales of food and beverage at commercial facilities within the theme parks.
* Source: White Paper on Leisure 2014 (August 2014, Japan Productivity Center)

Hotel Business Segment



Percentage of Total Revenues

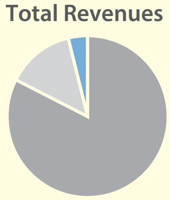


13.1%

- Included in the Hotel Business Segment are the three Disney Hotels (Tokyo Disneyland Hotel, opened July 2008; Tokyo DisneySea Hotel MiraCosta, September 2001; and Disney Ambassador Hotel, July 2000), as well as the Palm & Fountain Terrace Hotel in Shin-Urayasu (opened February 2005) and Brighton Hotels, which have four locations in Shin-Urayasu, Kyoto and elsewhere (shares of operator Brighton Corporation were acquired in March 2013).

Other Business Segment

Percentage of Total Revenues



3.8%

- The main facilities of the Other Business Segment are Ikspiari (opened July 2000), Disney Resort Line (opened July 2001) and MAIHAMA Amphitheater (opened September 2012).
- Ikspiari is a commercial complex based on the concept of "a town full of stories and entertainment." It includes 146 shops and restaurants and a 16-screen cinema complex.
- Disney Resort Line is a monorail connecting four stations within Tokyo Disney Resort.

Results for the Fiscal Year Ended March 31, 2015

Segment Revenues

387.6 billion yen
(down 0.8%)

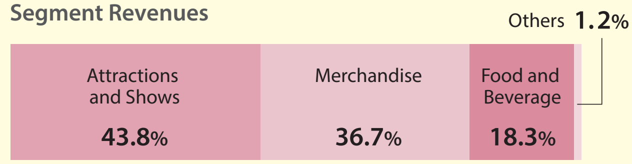
Operating Income

95.7 billion yen
(down 1.5%)

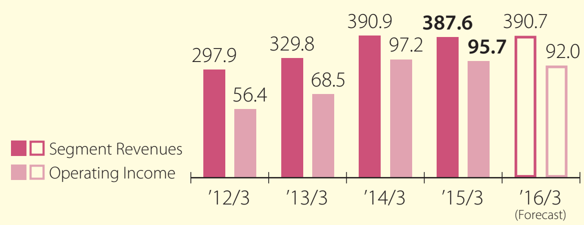
Segment Highlights

Segment revenues decreased by ¥3.3 billion to ¥387.6 billion and operating income declined by ¥1.5 billion to ¥95.7 billion as the year followed on the heels of the Tokyo Disney Resort 30th Anniversary. Theme park attendance set a record high with 31.38 million, due to the popularity of the new Tokyo Disneyland products "Once Upon a Time" and "Jungle Cruise: Wildlife Expeditions," as well as special events held in both parks.

Segment Revenues



Segment Revenues / Operating Income (Billions of yen)



Segment Revenues

61.1 billion yen
(down 6.0%)

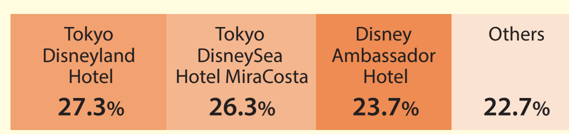
Operating Income

13.1 billion yen
(down 17.4%)

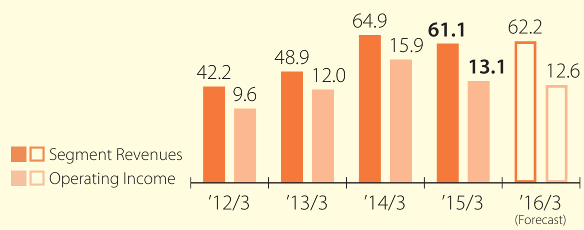
Segment Highlights

The number of Guests visiting from areas requiring overnight stays decreased from the previous fiscal year, partly because 2014 followed the Tokyo Disney Resort 30th Anniversary and because of renovations to Disney Hotels. This resulted in segment revenues declining by ¥3.9 billion to ¥61.1 billion and operating income falling by ¥2.8 billion to ¥13.1 billion.

Segment Revenues



Segment Revenues / Operating Income (Billions of yen)



Segment Revenues

17.6 billion yen
(down 0.7%)

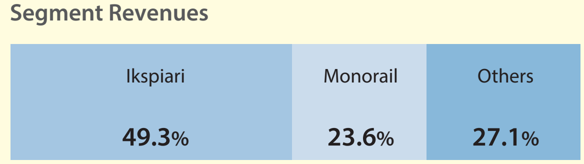
Operating Income

1.6 billion yen
(up 27.1%)

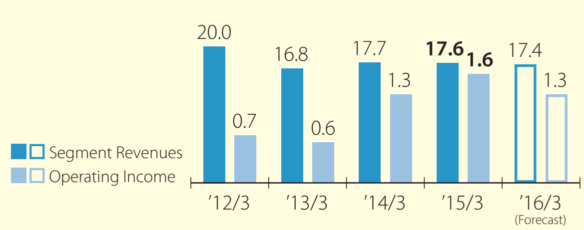
Segment Highlights

Despite a decline in segment revenues, the Other Business Segment saw an increase in operating income, mainly due to a reduction in fixed and miscellaneous costs incurred by the Ikspiari business.

Segment Revenues



Segment Revenues / Operating Income (Billions of yen)



Annual Topics

Fiscal year ended March 31, 2015

Apr. May Jun. Jul. Aug. Sept. Oct. Nov. Dec. Jan. Feb. Mar.

IR Information

4/1
Announcement of annual theme park attendance

4/28
Announcement of operating results for the FY ended '14/3
Announcement of the 2016 Medium-Term Plan

6/27
General Meeting of Shareholders/Change of corporate auditors

7/29
Announcement of first-quarter financial results

10/1
Announcement of first-half theme park attendance

10/30
Announcement of second-quarter financial results/Announcement of progress on 2016 Medium-Term Plan

1/29
Announcement of third-quarter financial results

3/20
Eleventh and Twelfth issue of unsecured bonds

3/30
Set earthquake risk countermeasures financing type term loan with a commitment period

Tokyo Disneyland

4/2~6/23
Special Event
Disney's Easter

5/29 START
NEW Nighttime Entertainment
Once Upon a Time

6/24~7/7
NEW Program
Disney Tanabata Days

7/8~8/31
Special Event
Disney's Natsu Matsuri

9/8 OPEN
NEW Attraction Renewal
Jungle Cruise: Wildlife Expeditions

9/8~10/31
Special Event
Disney's Halloween

11/7~12/25
Special Event
Christmas Fantasy

1/1~1/5
New Year's Program

1/13~3/20
NEW Special Event
Anna and Elsa's *Frozen* Fantasy

1/13~3/20
Program
Disney Princess: Welcome Little Princesses

Tokyo DisneySea

4/2~6/23
Special Event
Mickey & Duffy's Spring Voyage

7/4
Launched Gelatoni

7/8~8/31
Special Event
Disney Summer Festival

11/7~12/25
Special Event
Christmas Wishes

1/6~3/20
Program
Tower of Terror: Level 13 "Shadow of Shiriki"

1/13~3/20
Program
Sweet Duffy

Fiscal year ending March 31, 2016

Apr. / May / Jun. / Jul. / Aug. / Sept. / Oct. / Nov. / Dec. / Jan. / Feb. / Mar.

IR Information

4/1
Stock split/
Ticket price revision/
Announcement of annual theme park attendance

4/28
Announcement of operating results for the FY ended '15/3
Announcement of progress on 2016 Medium-Term Plan

6/26
General Meeting of Shareholders/Change of directors and corporate auditors

7/30
Announcement of first-quarter financial results

10/1
Announcement of first-half theme park attendance

Late October
Announcement of second-quarter financial results

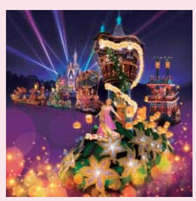
Late January
Announcement of third-quarter financial results

Tokyo Disneyland

4/2~6/23
NEW Special Event
Disney's Easter

6/24~7/7
Program
Disney Tanabata Days

7/9 START
NEW Renewal
Tokyo Disneyland Electrical Parade *Dreamlights*

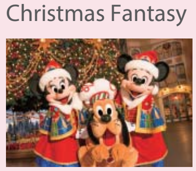


7/9~8/31
Special Event
Disney's Natsu Matsuri

7/17 OPEN
NEW Attraction
Stitch Encounter

9/8~11/1
Special Event
Disney's Halloween

11/9~12/25
Special Event
Christmas Fantasy



1/1~1/5
New Year's Program

1/12~3/18
Special Event
Anna and Elsa's *Frozen* Fantasy

1/12~3/18
Program
Disney Princess: Welcome Little Princesses

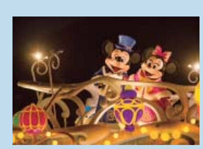
Tokyo DisneySea

4/24 START
NEW Musical Show
King Triton's Concert

7/3~3/18
NEW Program
Journey with Duffy: Your Friend Forever

7/9~8/31
Special Event
Disney Summer Festival

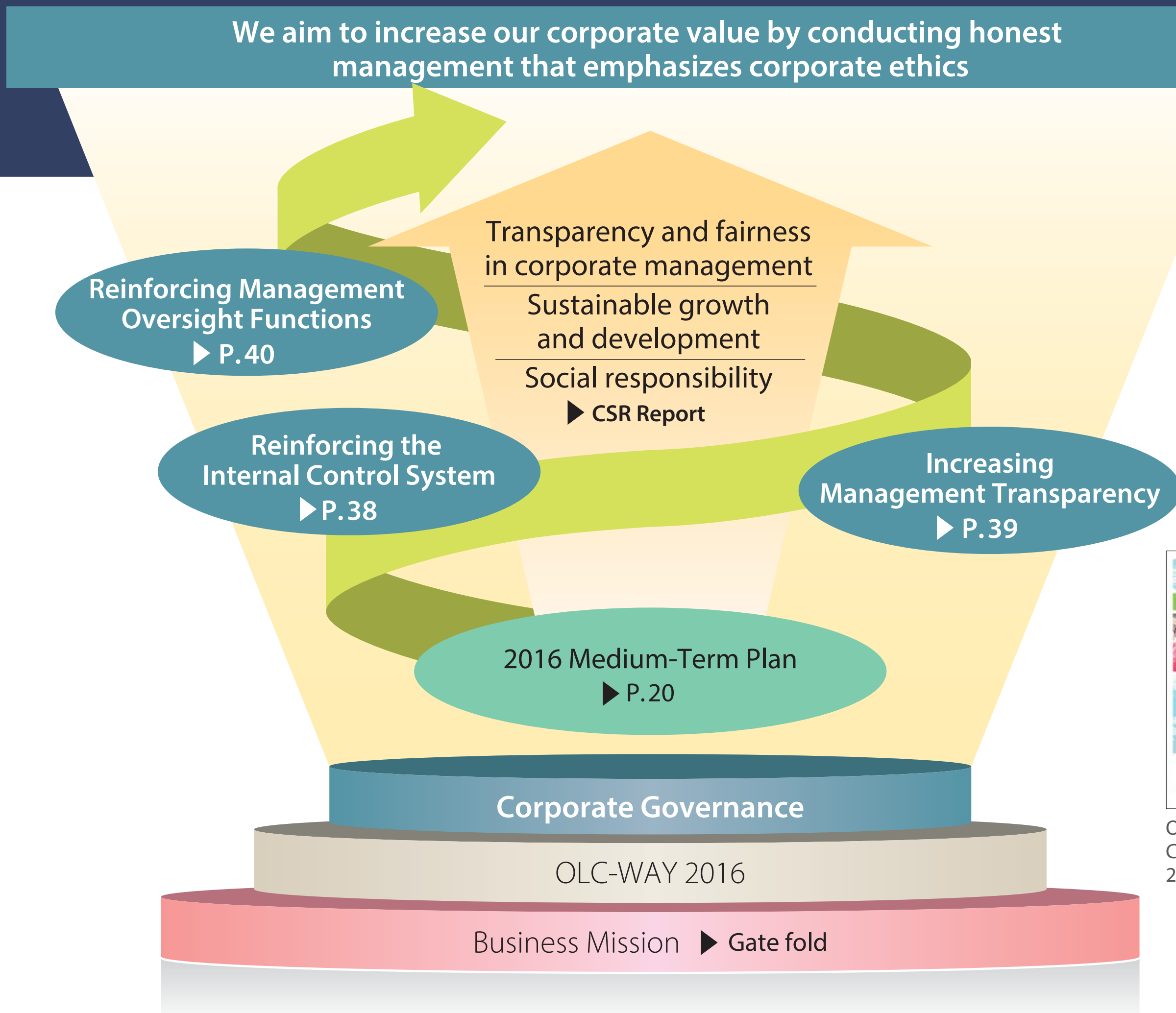
11/9~12/25
Special Event
Christmas Wishes

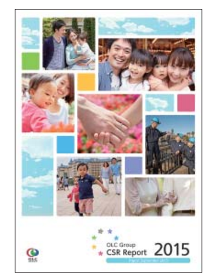


1/12~3/18
Program
Sweet Duffy

* Photo: concept image　* Event names and periods are subject to change.

Corporate Governance





OLC Group
CSR Report Digest
2015

Basic Thoughts on Corporate Governance

We will continue working to strengthen corporate governance, based on our understanding of the importance of raising management transparency and fairness, achieving sustainable growth and development and fulfilling our social responsibilities. Specifically, we aim to strengthen corporate governance by reinforcing the internal control system, increasing management transparency and promoting the reinforcement of management oversight functions. By conducting honest management that emphasizes corporate ethics through these measures, we aim to increase our corporate value.

OLC-WAY 2016

Even with our thorough governance systems in place, ultimately the awareness of the people who use these systems will decide if they will function or not. In recognition of this fact, the OLC Group is working to spread and raise awareness of OLC-WAY 2016, a set of shared promises among all officers and employees.

By having all officers and employees fulfill the promises of "Honesty," "Proactive Execution" and "Healthy Conflict" contained in OLC-WAY 2016, we will better position ourselves to fully implement the "2016 Medium-Term Plan" and our strategies.

OLC-WAY 2016

① Honesty
To focus on "only in the present" and "only on yourself" is insufficient. Always take a long-term perspective, and think from an all-inclusive, optimal point of view.

② Proactive Execution
There is no growth without action. First, challenge yourself. Failure is the best teacher.

③ Healthy Conflict
The precedent is not necessarily the best.
Discuss matters starting from zero and head toward the goal.

Promoting corporate governance through the business execution system and audit and supervisory system

Overview of the Corporate Governance System

OLC is a Company with a Board of Corporate Auditors system. OLC has also introduced a Corporate Officer System to strengthen the management supervisory functions and to accelerate decision making.

In addition, from the viewpoint of incorporating opinions from outside the Company to ensure transparency and fairness in corporate management, OLC has a Board of Directors with nine directors, including one external director. OLC also has a Board of Corporate Auditors with four corporate auditors, including three external corporate auditors, which incorporates opinions from an objective and independent stance to raise the efficiency of corporate auditors.

Furthermore, as part of the process to enhance the internal control system, starting with a thorough compliance system, OLC has established various committees.

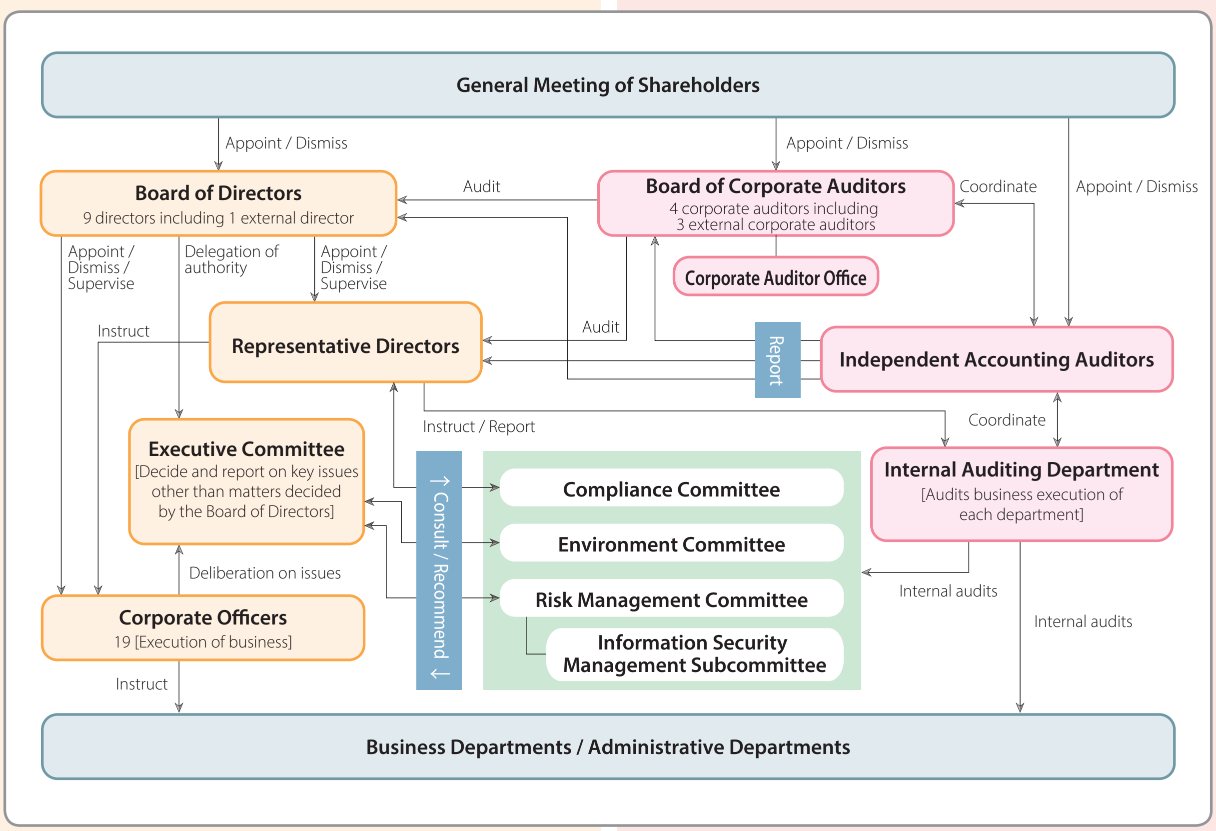
Business Execution System

- ✔ Introduction of the Corporate Officer System
- ✔ Appointment of an external director
- ✔ Establishment of the Executive Committee

Audit and Supervisory System

- ✔ Adoption of the Board of Corporate Auditors
- ✔ Appointment of three external corporate auditors out of four corporate auditors
- ✔ Cooperation between the standing corporate auditors, Internal Auditing Department and independent accounting auditors, supported by dedicated staff from the Corporate Auditor Office

■ Corporate Governance Overview of the Basic Systems (As of July 1, 2015)



■ Corporate Governance Structure (As of July 1 , 2015)

Corporate governance system	Company with Board of Corporate Auditors	
Management system	Directors	
Corporate Officer System	Number of directors	9*1
	Term of directors defined in Articles of Incorporation	2 years
	Chairman of Board of Directors	Chairman*2
Auditors	Board of Corporate Auditors established	Yes
	Number of corporate auditors	4*3
External directors and external corporate auditors	Number of external directors (independent officers)	1 (1)
	Number of external corporate auditors (independent officers)	3 (1)

*1. The maximum number of directors defined in the Articles of Incorporation is 15.
*2. Except when the chairman serves concurrently as president.
*3. The maximum number of corporate auditors defined in the Articles of Incorporation is 6.

Directors and Board of Directors

Board of Directors Comprising Nine Directors, including One External Director

The Board of Directors comprises nine directors, including one external director. The presence of an outside perspective helps guarantee the fairness of management. Also, the external director offers prudent advice based on a wealth of experience and wide-ranging insights, further enhancing management's ability to make appropriate decisions.

Board of Directors meetings are held once a month in principle. All corporate auditors attend the meetings, whether or not they hold standing positions. All directors and corporate auditors, who have different duties, monitor management from their own unique perspectives. Additionally, directors conduct extensive deliberation in accordance with the Company's management policies to ensure that the Company's operations are not in violation of laws, regulations or the Articles of Incorporation in any manner.

Corporate Officers and the Executive Committee

Accelerating Decision Making through Delegation of Authority

OLC has introduced the Corporate Officer System to more clearly define supervisory and executive responsibilities in each of the OLC Group's businesses, to strengthen the management supervisory functions of directors by shifting the focus of their roles to supervision and to accelerate decision making by promoting the delegation of authority to corporate officers.

OLC has also established the Executive Committee that meets regularly twice a month in principle and comprises standing directors and executive officers, and through delegation of authority from the Board of Directors, for execution of duty (excluding items requiring a Board of Directors resolution), OLC is promoting rapid and accurate decision making. The Theme Park Committee, the deciding body for matters related to theme park operations, was abolished in October 2014.

Corporate Auditors and the Board of Corporate Auditors

Four Corporate Auditors, including Three External Corporate Auditors

The two standing corporate auditors attend meetings of the Board of Directors and the Executive Committee, as well as meetings of other committees, where they state their opinions. In principle, the Board of Corporate Auditors meets once a month to exchange opinions and debate. Three of the four corporate auditors are external corporate auditors, a structure that actively incorporates opinions from an objective and independent standpoint to enable effective audits.

Furthermore, to assist the corporate auditors in their duties, a specialized staff has been assembled within the Corporate Auditor Office. The effectiveness of corporate auditing is also enhanced through cooperation between the standing corporate auditors, Internal Auditing Department and independent accounting auditors.

■ Number of Committee Meetings in the Fiscal Year Ended March 31, 2015

Board of Directors	12
Board of Corporate Auditors	14
Executive Committee	22
Theme Park Committee	12*

* (Until October 2014)

Reinforcing the Internal Control System

Enhancing internal controls through rigorously maintaining the compliance system, entrenching the risk management system and strengthening the information management system

Building a Compliance System

Established the Compliance Committee and Employee Consultation Office

We set up the Compliance Committee, which is chaired by a designee of the president, to ensure the legality of the Company's management and to promote a spirit of compliance. If the committee discovers misconduct by an officer or employee or a serious violation of the law or the Company's Articles of Incorporation, it conducts the necessary investigations and reports its findings to management or the Executive Committee and the Board of Corporate Auditors. Moreover, an Employee Consultation Office has been set up as a channel for internal reporting within the OLC Group, and we have established an external consultation desk inside the Marunouchi Sogo Law Office.

Ensuring Compliance through Employee Training

We have established the OLC Group Code of Compliance, which outlines the rules for officers' and employees' compliance with ethics and laws, and the Business Guideline, which outlines specific standards for the practice of compliance.

Furthermore, we institute educational programs related to compliance. All employees participate in these programs, which consist of e-learning courses and group discussions and serve as opportunities for sharing information and awareness related to compliance issues.

We also implement strict monitoring to ensure the effectiveness of measures related to compliance.

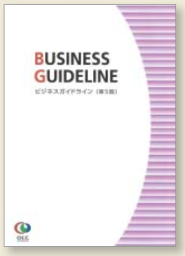
■ Examples of Group Discussions that Use Case Studies

Appropriate Labor Control
Prevention of Harassment
Management of Information

OLC Group Code of Compliance

The OLC Group's officers and employees have a strong ethical commitment to comply with external laws and regulations and internal rules.

1. Prioritize safety above all else.
2. Respect human rights and prevent discrimination and harassment.
3. Engage in fair and transparent transactions.
4. Strictly control confidential information, including personal information.
5. Take a firm stance toward antisocial organizations.



Business Guideline

Risk Management System

Establish and Operate a Risk Management Cycle

OLC's Risk Management Committee, chaired by the President, extracts, analyzes, assesses and prioritizes risks facing the Company and establishes and operates a risk management cycle with formulated preventative measures or countermeasures for individual risks.

OLC has also set up the Emergency Control Center (ECC) as the organization which responds when a risk materializes.

■ Specific Risks Handled by the ECC

Earthquakes, fires, typhoons, snow, oxidase smog, lightning, power outages, accidents, food poisoning, infectious diseases, terrorism and unscheduled park closures, among other risks

Raising the Management Level through the Information Security Management Subcommittee

The OLC's fundamental policies regarding information security are outlined in the OLC Group Information Security Policy. Additionally, we have been working to improve the level of information security management through the creation of an Information Security Management Subcommittee in the Risk Management Committee. These two organizations oversee the management of information.

Increasing Management Transparency

Increasing management transparency and justness through proactive disclosure of information

Compensation Paid to Directors and Corporate Auditors and Audit Compensation

In the fiscal year ended March 31, 2015, compensation paid to directors and corporate auditors and compensation paid to independent accounting auditors (compensation for services prescribed in Article 2, Paragraph 1 of the Certified Public Accountants Law of Japan and compensation for other services) was as follows:

■ Compensation Paid to Directors and Corporate Auditors
(Fiscal year ended March 31, 2015)

(Millions of yen)

	Recipients	Amount
Compensation paid to directors	11	427
(Compensation paid to the external director included in above)	(1)	(7)
Compensation paid to corporate auditors	5	70
(Compensation paid to external corporate auditors included in above)	(4)	(43)
Total	16	498

*1. Compensation amounts above include compensation paid to the external corporate auditor that resigned following the conclusion of the 54th Annual General Meeting of Stockholders held on June 27, 2014.
*2. Employee wages are not paid to directors who work concurrently as employees of the Company.
*3. The Company has abolished bonuses and such bonuses are not included in compensation paid to directors.

■ Audit Compensation (Fiscal year ended March 31, 2015)

(Millions of yen)

	Amount
Compensation based on audit certification	87
Other compensation	2
Total	89

* The Company's auditing contract with the independent accounting auditors does not clearly differentiate compensation for auditing as based on the Companies Act or the Financial Instruments and Exchange Law. Because the amounts cannot be practically differentiated, compensation for the period is included in the total.

Policy for Determining Compensation Paid to Directors and Corporate Auditors

Directors are compensated in the form of set monthly payments only. The amount to be paid is determined in accordance with policies accepted by the Board of Directors and must not exceed a limit decided at the General Meeting of Stockholders. This amount is decided based on the position, roles and responsibilities of each director as well as in consideration of how well the directors met management and individual goals and how much they contributed to the management of the Company.

Corporate auditors are compensated in the form of set monthly payments only. The amount to be paid is determined through negotiation with the corporate auditors and must not exceed a limit decided at the General Meeting of Stockholders.

There is no set policy for determining the compensation of independent accounting auditors. When deciding this compensation, the Company takes into account such factors as the number of days used to conduct audits.

Policy Regarding Control of the Company (Outline)

The OLC Group's management policy is to raise corporate value by continuing to be a company that is widely loved and familiar, deepening the trust and understanding of all its stakeholders and maximizing the resulting cash flow.

This management policy is aimed at continued long-term growth and is not meant for pursuing short-term profits. The Company currently has no specific predetermined anti-hostile takeover measures. However, the Company believes it is inappropriate for an individual or financial entity who may work to the detriment of the Company's corporate value (including individuals or financial entities that attempt to manage without regard to the Company's management policies) to control decision making regarding the Company's financial or operational policy. In the event that such an individual or financial entity should appear, the Board of Directors will consider appropriate measures with outside experts and implement countermeasures in response to conditions.

Investor Relations (IR) Activities of OLC, Conducting Active Information Disclosure and Transmitting Feedback throughout the Company

Top management, corporate officers, and general managers are supported by a specialized IR staff consisting of six members. This staff constantly endeavors to improve the transparency and speed of information disclosure.

We aim to disclose information in an easy-to-understand manner through such means as transmitting on-demand video presentations of financial results and voice files of quarterly financial teleconferences as well as by providing materials in Japanese and English that are geared toward investors who are unfamiliar with OLC.

OLC values opportunities for management to communicate directly with stockholders. The Company holds discussion forums with its stockholders and other investors, participates in conferences throughout Japan and overseas that are organized by securities companies and conducts Company explanations for private investors and securities companies.

We not only make reports to management, we also hold internal explanatory meetings over 50 times a year for individual departments that use our financial results meeting materials in order to communicate the opinions of stockholders and other investors to employees in detail. In addition, the several thousands of opinions, suggestions and evaluations received from our approximately 100,000 individual stockholders through questionnaires are sorted by content for regular feedback to appropriate managers and departments so we can work to improve our management and business activities.

Ensuring the health of management by maintaining an external and internal oversight system

Utilizing External Directors and External Corporate Auditors

Strengthening Management Fairness through Appointment of External Officers

OLC maintains an oversight system through the appointment of external officers to strengthen supervisory functions.

The external director gives advice and makes suggestions to the Board of Directors as necessary to ensure the validity and appropriateness of the decisions made by the Board of Directors. The external director offers prudent advice based on his wealth of experience, wide-ranging insights and outside perspectives, further enhancing management's ability to maintain fairness.

The external corporate auditors (excluding the standing external corporate auditor) receive reports from the Board of Directors on the execution of duties and the state of important meetings, such as the Executive Committee meeting, at the Board of Corporate Auditors, as well as on the state of auditing of subsidiaries and on the auditing plans and auditing results of the Internal Auditing Department, and strive to enrich audits through mutual understanding on a daily basis.

The external corporate auditors receive reports on the results of the independent accounting auditors' year-end reviews and audits of the Company's financial statements for the first to third quarters. They also exchange opinions regarding the Company's operations as necessary throughout the fiscal year while remaining well versed in a variety of Company-related information.

■ Major Activities of the External Director and External Corporate Auditors and Reasons for Appointment (Fiscal year ended March 31, 2015)

		Meetings of the Board of Directors (Held 12 times)	Meetings of the Board of Corporate Auditors (Held 14 times)	Reason for appointment
Executive director (external)	Tsutomu Hanada	11 *1	—	Tsutomu Hanada is Representative Director and Chairman of Keisei Electric Railway Co., Ltd. and an external corporate officer at other companies. He was selected as an external director so that he may use his rich background of managerial experience and wealth of managerial expertise to offer appropriate advice to the Company's management.
Corporate auditors (external)	Tetsuo Suda*2 (Standing)	10	10	Tetsuo Suda was selected as an external corporate auditor so that he may use his rich background of managerial experience and wealth of managerial expertise to supervise all areas of management and offer appropriate advice to the Company's management.
	Hiroshi Otsuka	12	14	Hiroshi Otsuka was selected as an external corporate auditor so that he may use his rich background of managerial experience and wealth of managerial expertise to supervise all areas of management and offer appropriate advice to the Company's management.
	Tatsuo Kainaka	12	14	Tatsuo Kainaka is expected to supervise the Company's management from an objective perspective based on the legal expertise he has developed through his experience as a Chief Justice of the Supreme Court and an attorney at law. Further, he has participated in committees and investigatory bodies that conduct third-party audits and investigations of other companies from a neutral position. This rich background of auditing experience was a key consideration behind his selection as an external corporate auditor.

*1. In cases where an external director is unable to attend a meeting of the Board of Directors, the Company provides the director with a timely report concerning the proceedings of the meeting and requests the director's opinions and advice relating to the management of the Company.

*2. External corporate auditor Tetsuo Suda attended all 10 meetings of the Board of Directors and all 10 meetings of the Board of Corporate Auditors since his appointment on June 27, 2014.

Internal Audits

The Internal Auditing Department Continuously Improves and Enriches Internal Controls

OLC has enhanced and continuously improves internal controls with the establishment of an Internal Auditing Department to ensure compliance with laws and internal rules as well as efficient business execution. This department is independent of the other executive departments of the Company. The Internal Auditing Department works with corporate auditors and accounting auditors to investigate whether business operations are in compliance with management policies and plans as well as internal regulations, and also that they are conducted in an appropriate and efficient manner, as well as propose improvements to further enhance management reliability.

Independent Accounting Audit

Undergo an External Audit to Ensure Appropriateness of Accounting

To ensure accurate accounting, the OLC Group receives audits from KPMG AZSA LLC. Our designated unlimited liability and engagement partners from KPMG AZSA LLC are certified public accountants Hiroyuki Nakamura and Hiroaki Komatsu. Additionally, a total of 15 accountants and assistants engage in other accounting and auditing activities.

Message from an External Corporate Auditor

Impression of OLC

At OLC, you will see energetic and alert employees each striving in their jobs to deliver happiness to our Guests. This is something important to us that we want to perpetuate going forward.

In the meantime, the environment surrounding OLC has begun to change now that park attendance has grown to over 30 million Guests a year. In response, OLC's executive management is rolling out a succession of strategic initiatives with their eye on the future, without growing complacent with the situation as it stands.

I think OLC's executive directors and corporate officers have shown in their initiative that they are capable of distinguishing the things we need to change from the things we should hold eternal.

Most Memorable Board of Directors Meeting of the Past Year

In the Board of Directors meeting in October last year, I audited the directors as they discussed investments over a 10-year time frame for building up the theme park business and backstage facilities. The plan in discussion was a strategic one that aimed to keep Guests satisfied with the theme parks, even as annual attendance eclipsed 30 million visitors. Still, many viewpoints were exchanged because this was a grandiose plan with investments over 10 years in the range of ¥500 billion.

After prefacing what he was about to say with "I couldn't sleep last night thinking about what I should say about this plan," the external executive director lunged in with questions sharply critiquing the feasibility of the financing plan and whether it could withstand the 10-year projection of market volatility. The executive director in charge of answering the questions was just as serious in demeanor, and the discussion went on for quite some time. In the end, Chairman Kagami brought the discussion to a close by saying, "From a medium- to long-term standpoint this plan needs to be initiated now. Assuming that the plan's execution every year will depend on flexibly responding to situations as they present themselves, let's discuss and make decisions at the meetings of this board as the plan unfolds." After that, the plan was approved by the Board unanimously. This was one of those meetings that reminded me of the importance of frankly exchanging opinions and the frame of mind we needed as external officers to ensure this.

Status of Recent Discussions Regarding Corporate Governance

New provisions including a corporate governance code were set forth when Japan's Companies Act was revised last year. As a result, we now have a new corporate governance system providing us with more options for sustaining corporate growth and raising medium- to long-term corporate value. I feel at home with the new system because its intended destination with corporate governance is one and the same with what OLC has aimed for all along. However, in cases like this, hastily giving shape to a response to changes may lose sight of what the revision aims to achieve.

We must properly respond to the changes by diligently combing over our options and responses to ensure we contribute constructively to OLC's medium- to long-term development as a company perpetually trusted by stakeholders.

Hopes for Corporate Governance at OLC Going Forward

No matter what corporate governance structure OLC decides to adopt, I think the issue ultimately boils down to the individual character of executives entrusted with management.

One of the reasons OLC suffered little damage in the Great East Japan Earthquake in 2011 was that it rigorously reinforced the theme park grounds before opening. OLC was also quick to respond with seismic reinforcements of its facilities in the wake of the Great Hanshin-Awaji Earthquake in 1995. I hold OLC's management during the time in high esteem for having placed the safety of Guests ahead of short-term returns in making investments at a time when the Company's financial position was far from stable.

Sustainable corporate growth is a buzzword these days, so we need people capable of withstanding the test of executing it in management.

Corporate Auditor (External)
Tatsuo Kainaka
Attorney at law

Board of Directors, Corporate Auditors and Corporate Officers (As of July 1, 2015)

Board of Directors

Representative Director, Chairman and CEO

Toshio Kagami

1972 Entered the Company
2005 Representative Director, Chairman and CEO

<Concurrent offices>
- Representative Director and Chairman of Milial Resort Hotels Co., Ltd.
- Corporate Auditor (External) of Keiyo Gas Co., Ltd.
- Corporate Auditor (External) of TV TOKYO Holdings Corporation

Representative Director, President and COO

Kyoichiro Uenishi

1980 Entered the Company
2009 Representative Director, President and COO

<Concurrent office>
- Corporate Auditor of Keisei Electric Railway Co., Ltd.

Executive Director

Norio Irie

1975 Entered the Company
2003 Executive Director

Executive Director

Yumiko Takano

1980 Entered the Company
2003 Executive Director

<Concurrent office>
- Representative Director and President of Milial Resort Hotels Co., Ltd.

Executive Director

Yoritoshi Kikuchi

1980 Entered the Company
2009 Executive Director

Executive Director

Yuichi Katayama

2013 Entered the Company
2013 Executive Director

Executive Director
Akiyoshi Yokota

1980 Entered the Company
2009 Executive Director

Executive Director
Hirofumi Kohnobe

1981 Entered the Company
2009 Executive Director

Executive Director (External)
Tsutomu Hanada

1966 Entered Keisei Electric Railway Co., Ltd.
2005 Executive Director of the Company
<Concurrent offices>
- Advisor of Keisei Electric Railway Co., Ltd.
- Executive Director (External) of Shin-Keisei Electric Railway Co., Ltd.

Note: Executive Director (External) Tsutomu Hanada and Corporate Auditor (External) Tatsuo Kainaka satisfy the requirements for independent officers as specified in Article 436-2 of the Securities Listing Regulations of Tokyo Stock Exchange, Inc.

Corporate Auditors

Standing Corporate Auditor
Shigeru Suzuki

1980 Entered the Company
2003 Executive Director
2015 Corporate Auditor

Standing Corporate Auditor (External)
Tetsuo Suda

1968 Entered Keisei Electric Railway Co., Ltd.
2014 Corporate Auditor of the Company

Corporate Auditor (External)
Hiroshi Otsuka

1958 Entered Keisei Electric Railway Co., Ltd.
1996 Corporate Auditor of the Company
<Concurrent offices>
- Advisor of Keisei Electric Railway Co., Ltd.
- Executive Director (External) of Tokyu Construction Co., Ltd.
- Corporate Auditor (External) of The Keiyo Bank Ltd.

Corporate Auditor (External)
Tatsuo Kainaka

2002 Chief Justice of the Supreme Court
2010 Licensed attorney at law
Entered Takusyou Sogo Law Office
2012 Corporate Auditor of the Company
<Concurrent offices>
- External Director of Mizuho Financial Group, Inc.
- President of Life Insurance Policyholders Protection Corporation of Japan

Corporate Officers

President Officer
Kyoichiro Uenishi

Executive Vice President Officer
Norio Irie
Supervisor of Resort Creation, Marketing, Operations, Entertainment, Food, Merchandise

Senior Executive Officer
Yumiko Takano
Supervisor of Hotel Business Segment
President of Milial Resort Hotels Co., Ltd.

Yoritoshi Kikuchi
Supervisor of Theme Park Facility Development, Engineering
Director of Engineering Division

Yuichi Katayama
Supervisor of Corporate Strategy Planning, Sponsor Marketing Alliance
In charge of Corporate Strategy Planning, Sponsor Marketing Alliance
Director of Corporate Strategy Planning Department

Executive Officer
Akiyoshi Yokota
In charge of Finance/Accounting, Publicity, Business Solution

Officer
Hirofumi Kohnobe
Director of Food Division

Etsuko Nagashima
In charge of Social Activity Promotion, CS Enhancement

George Yasuoka
In charge of Theatrical Business Director of Theatrical Business Department
Representative Director and President of IKSPIARI Co., Ltd.

Wataru Takahashi
In charge of General Affairs, IT Strategy Implementation, Food Safety Control, Internal Auditing Department

Masufumi Sumimoto
Deputy Director of Corporate Strategy Planning Division

Tetsuro Sato
Director of Operation Division

Satoshi Hayashi
In charge of Theme Park Facility Development, Resort Creation

Seiji Sakai
Director of Entertainment Division

Yuichi Kaneki
Director of Human Resources Division

Rika Kanbara
Director of Merchandise Division
Director of Merchandise Product Development Department

Koichi Kasahara
Director of Marketing Division
Director of Marketing Strategy Planning Department

Kenji Yoshida
Director of Finance/Accounting Department

Kiyotaka Hayakawa
Director of Sponsor Marketing Alliance Department

Data Section

Message from the Officer in Charge of Finance/Accounting Department

Raising corporate value by maximizing our operating cash flow* in pursuit of "OLC in 2023"

The OLC Group has started its 2016 Medium-Term Plan covering the important first three years of the run-up to "OLC in 2023," our vision of where we want the OLC Group to be in 2023. The plan sets the target of generating operating cash flow of over ¥280 billion during the plan's three years by maximizing theme park value through the conduct of proactive investment. We were able to get off to a wonderful start by achieving operating cash flow of ¥106.7 billion in the plan's first year, the fiscal year ended March 31, 2015, and by forecasting operating cash flow of ¥109.1 billion for the fiscal year ending March 31, 2016. Moreover, we have also reviewed our risk finance scheme to further strengthen our risk responsiveness in financial terms. Our policy is to support the development of business activities centered on the two aspects of strengthening our financial position in this manner and aggressively investing in our core business.

Going forward, besides returning direct earnings to shareholders, OLC will raise its long-term sustainable corporate value through a cycle by which growth in operating cash flow will be channeled into growth investments in core and new businesses, thereby raising corporate value.

Executive Director and Executive Officer in Charge of Finance/Accounting Department
Akiyoshi Yokota

* Operating cash flow = Net income + Depreciation and amortization

Taking on Challenges with a Sense of Renewal as the Officer in Charge of Finance/Accounting Department

Four years have passed since my last stint as the Officer in Charge of Finance/Accounting Department in March 2011. When I was in charge at that time, OLC found itself in completely different circumstances regarding our level of earnings, interest-bearing debt and total market value. In line with our notably increased presence as a corporate group, we felt a large sense of responsibility toward our wide range of stakeholders.

OLC's business environment is also greatly changing. There is now an increased importance in maintaining a dialogue between our Company and its investors, not least because of the introduction of Japan's Corporate Governance Code.

For OLC to achieve sustained growth in its corporate value, the Company must both build relationships of trust by continually and proactively holding dialogues with all its investors, and I think it is my important responsibility to also further expand its earnings foundation by maintaining a sound financial structure through growth investment.

Enhancing Risk Responsiveness and the Financial Base

As a financial measure to respond to future risks, in September 2011, we took out a new long-term loan of ¥50 billion as earthquake risk countermeasures financing. This step has prepared the OLC Group to deal with a massive seismic event beyond conception. Since then, however, the theme park business being developed has grown in scale, and so has the amount of working capital that would be required in the event of an earthquake. Consequently, we recently dissolved the measures we had earlier devised and took out a new earthquake risk countermeasures commitment term-based loan of ¥100 billion, and issued corporate bonds of ¥50 billion. As a result, we have not only secured the working capital, but also enabled sustainable investment to be made for the future in the event of a temporary downturn in business.

At the same time, we reduced our interest-bearing debt together with the cost of debt by establishing a borrowing framework without holding cash and deposits using a new scheme. As a result, interest-bearing debt amounted to ¥57.8 billion and the debt-to-equity ratio was 0.10 times as of March 31, 2015.

In this way, while preparing for risks and steadily strengthening our financial base, we are laying the groundwork for responding swiftly to a range of decisions in the future.

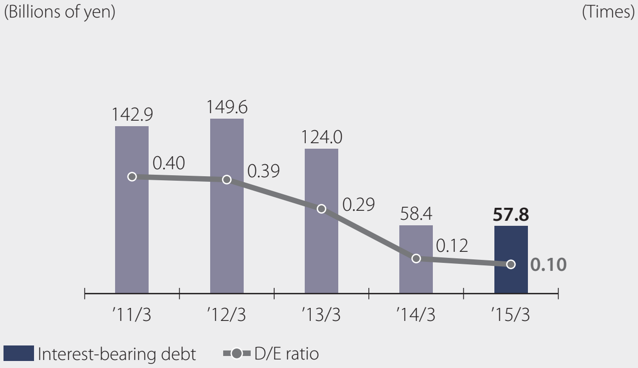
Aiming for Long-Term Sustainable Improvement in Corporate Value

We paid an annual dividend of ¥140 per share for the fiscal year ended March 31, 2015, a ¥20 increase year on year. To allocate operating cash flow to our core business and new business growth, we plan to pay the same annual dividend for the fiscal year ending March 31, 2016. Going forward, we aim to pay stable dividends while taking external factors into consideration.

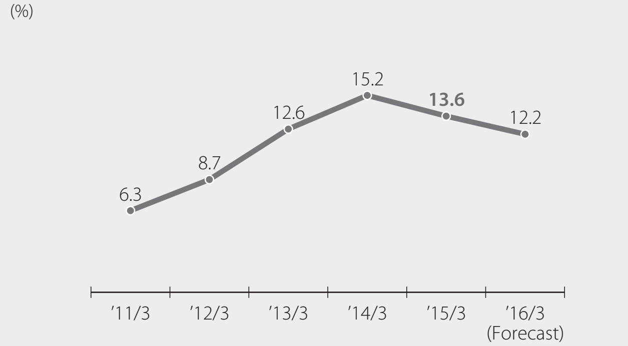
ROE was 13.6% in the fiscal year ended March 31, 2015. We expect an ROE of 12.2% in the fiscal year ending March 31, 2016.

Going forward, we will continue to provide steady returns to shareholders while seeking to raise corporate value through growth in operating cash flow.

■ Interest-Bearing Debt / D/E Ratio



■ ROE (Return on Equity)



Six-Year Summary

Oriental Land Co., Ltd. and Consolidated Subsidiaries Fiscal Years Ended March 31

	Millions of yen						Thousands of U.S. dollars*1
	'15/3	'14/3	'13/3	'12/3	'11/3	'10/3	'15/3
FOR THE YEAR:							
Revenues	**¥466,292**	¥473,573	¥395,527	¥360,061	¥356,181	¥371,415	**$3,880,270**
Operating income	**110,605**	114,491	81,467	66,923	53,664	41,924	**920,404**
Income before income taxes	**110,486**	112,672	80,867	55,289	38,086	37,780	**919,414**
Total income taxes	**38,423**	42,100	29,383	23,183	15,188	12,354	**319,739**
Net income	**72,063**	70,572	51,484	32,114	22,908	25,427	**599,675**
Capital expenditures*2	**37,034**	20,367	28,730	23,210	27,904	19,419	**308,180**
Depreciation and amortization	**34,637**	36,934	36,132	39,850	39,985	46,695	**288,233**
EBITDA*3	**145,242**	151,426	117,599	106,773	93,649	88,619	**1,208,638**
Operating cash flow*4	**106,700**	107,506	87,616	71,964	62,893	72,122	**887,909**
Free cash flow*5	**69,666**	87,139	58,886	48,754	34,989	52,703	**579,729**
AT YEAR-END:							
Total assets	**¥746,641**	¥664,539	¥655,544	¥619,494	¥574,635	¥615,090	**$6,213,206**
Theme parks, resorts and other property, at cost	**436,537**	438,788	456,900	447,110	472,152	487,871	**3,632,662**
Total net assets	**564,129**	493,697	432,262	383,085	357,779	366,473	**4,694,424**
Interest-bearing debt	**57,842**	58,448	124,020	149,580	142,937	173,289	**481,334**

	Yen						U.S. dollars*1
PER SHARE DATA:*6							
Net income (EPS)	**¥ 862.89**	¥ 845.32	¥ 616.96	¥ 384.98	¥ 265.26	¥ 280.17	**$ 7.18**
Diluted net income	**834.39**	815.03	580.87	372.87	—	—	**6.94**
Net assets (BPS)	**6,754.11**	5,912.53	5,178.67	4,592.03	4,288.99	4,240.59	**56.20**
Cash dividends	**140.00**	120.00	120.00	100.00	100.00	100.00	**1.17**

	%					
SELECTED FINANCIAL DATA:						
Operating margin	**23.7%**	24.2%	20.6%	18.6%	15.1%	11.3%
Return on revenues	**15.5**	14.9	13.0	8.9	6.4	6.8
Return on assets (ROA)	**10.2**	10.7	8.1	5.4	3.9	4.0
Return on equity (ROE)	**13.6**	15.2	12.6	8.7	6.3	6.9
Equity ratio	**75.6**	74.3	65.9	61.8	62.3	59.6
Payout ratio	**16.3**	14.2	19.5	26.0	37.7	35.7
Annual theme park attendance (Thousands of Guests)	**31,377**	31,298	27,503	25,347	25,366	25,818
Revenues per Guest (Yen)	**¥10,955**	¥11,076	¥10,601	¥10,336	¥10,022	¥9,743
Number of shares issued (Thousands)	**90,923**	90,923	90,923	90,923	90,923	90,923
Number of employees	**4,438**	4,348	4,273	3,939	3,960	3,954

*1. The U.S. dollar amounts are provided for convenience only and have been converted at the rate of ¥120.17 to U.S.$1, the prevailing exchange rate at March 31, 2015.
*2. Capital expenditures includes tangible and intangible assets and long-term prepaid expenses.
*3. EBITDA = Operating income + Depreciation and amortization
*4. Operating cash flow = Net income + Depreciation and amortization
*5. Free cash flow = Net income + Depreciation and amortization – Capital expenditures
*6. The Company conducted a 4-for-1 stock split on April 1, 2015. The above figures are calculated based on the number of shares before the stock split.

1 Overview of Consolidated Results (Fiscal Year Ended March 31, 2015)

(1) Revenues and Income

During the fiscal year ended March 31, 2015, although consumer spending was soft, the Japanese economy continued to show a gradual recovery trend, sustained by an improving employment and income environment as well as positive effects of a decline in crude oil prices and a weaker yen.

For the OLC Group, theme park attendance reached a record high, driven mainly by the success of new products and special events held at its two theme parks. Meanwhile, revenues per Guest decreased due to the fact that 2014 followed on the heels of the Tokyo Disney Resort 30th Anniversary.

As a result, in the fiscal year ended March 31, 2015, the OLC Group recorded revenues of ¥466.3 billion (down 1.5%), operating income of ¥110.6 billion (down 3.4%). Net income was ¥72.1 billion (up 2.1%) due to a decline in income taxes.

(Billions of yen)

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2014	Increase (decrease)	Change from previous period (%)
Revenues	**466.3**	473.6	(7.3)	(1.5)
Theme Park Segment	**387.6**	390.9	(3.3)	(0.8)
Hotel Business Segment	**61.1**	64.9	(3.9)	(6.0)
Other Business Segment	**17.6**	17.7	(0.1)	(0.7)
Operating Income	**110.6**	114.5	(3.9)	(3.4)
Theme Park Segment	**95.7**	97.2	(1.5)	(1.5)
Hotel Business Segment	**13.1**	15.9	(2.8)	(17.4)
Other Business Segment	**1.6**	1.3	0.3	27.1
Net Income	**72.1**	70.6	1.5	2.1

Revenues

Due to lower revenues in all three segments (the Theme Park Segment, Hotel Business Segment and Other Business Segment) in the year following the Tokyo Disney Resort 30th Anniversary, revenues came to ¥466.3 billion (down 1.5%).

• Theme Park Segment

Segment revenues were ¥387.6 billion (down 0.8%). Theme park attendance set a record high with 31.38 million (up0.3%), due to the popularity of the new Tokyo Disneyland products "Once Upon a Time" and "Jungle Cruise: Wildlife Expeditions," as well as special events held in both parks.

On the other hand, revenues per Guest decreased to ¥10,955 (down 1.1%) mainly due to the termination of sales of merchandise related to the Tokyo Disney Resort 30th Anniversary.

Theme Park Information

	Fiscal year ended March 31, 2015	Fiscal year ended March 31, 2014	Change from previous period (%)
Theme park attendance (Millions of Guests)	**31.38**	31.30	0.3
Revenues per Guest (Yen)	**10,955**	11,076	(1.1)
Ticket receipts (Yen)	**4,660**	4,598	1.3
Merchandise (Yen)	**4,043**	4,185	(3.4)
Food and beverages (Yen)	**2,252**	2,292	(1.7)

• Hotel Business Segment

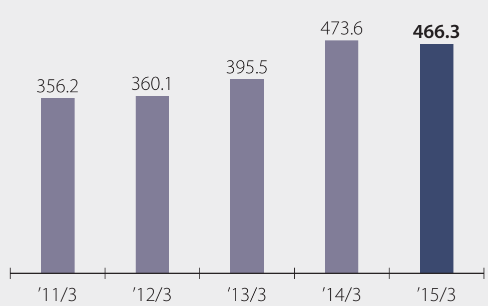
Segment revenues were ¥61.1 billion (down 6.0%), mainly because of a drop in theme park attendance from rural areas and a decline in occupancy rates at Disney hotels due to the impact of refurbishment work. Occupancy rates at Disney Hotels were in the middle 90% range for Tokyo Disneyland Hotel, the upper 90% range for Tokyo DisneySea Hotel MiraCosta, and the middle 90% range for Disney Ambassador Hotel.

• Other Business Segment

Segment revenues were ¥17.6 billion (down 0.7%), mainly as a result of a drop in revenue from monorail operations.

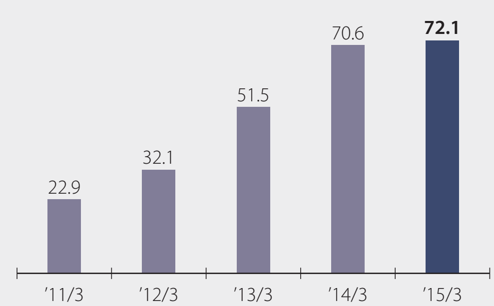
■ Revenues

(Billions of yen)



■ Net Income

(Billions of yen)



Operating Income
Operating income was ¥110.6 billion (down 3.4%), mainly because of a decline in revenues and an increase in costs of the theme park business.

• Theme Park Segment
Due to a decline in revenues and increases in the sales cost ratios for merchandise and food/beverages as well as fixed and miscellaneous costs, operating income was ¥95.7 billion (down 1.5%).

• Hotel Business Segment
Due to a decline in revenues, operating income was ¥13.1 billion (down 17.4%).

• Other Business Segment
Due to reductions in fixed and miscellaneous costs in the Ikspiari business, operating income was ¥1.6 billion (up 27.1%).

Other Income (Expenses) and Income before Income Taxes
Non-operating expenses decreased ¥1.9 billion to ¥2.7 billion. This mainly reflected a ¥2.8 billion decrease in loss on bond retirement partially offset by a ¥1.0 billion increase in loss on retirement of non-current assets, such as the disposal costs related to large scale investments. As a result of the above, income before income taxes decreased to ¥110.5 billion (down 1.9%).

Income Taxes
Income taxes were ¥38.4 billion (down 8.7%). The effective tax rate, calculated as the ratio of income taxes to income before incomes taxes, declined 2.6 percentage points from 37.4% in the previous fiscal year to 34.8% due to the abolition of the special income tax for reconstruction measures.

Net Income
Net income was ¥72.1 billion (up 2.1%). Net income per share* was ¥862.89 and return on equity (ROE) was 13.6%.

* The Company conducted a 4-for-1 stock split on April 1, 2015. The above figure is calculated based on the number of shares before the stock split.

(2) Assets, Liabilities and Net Assets

Assets
Total assets as of March 31, 2015 were ¥746.6 billion (up 12.4%).

Total current assets rose to ¥242.3 billion (up 39.0%) due to increases in cash and cash equivalents.

Total non-current assets increased to ¥504.3 billion (up 2.9%) due to increases in market values of investment securities and other factors.

Liabilities
Total liabilities as of March 31, 2015 were ¥182.5 billion (up 6.8%).

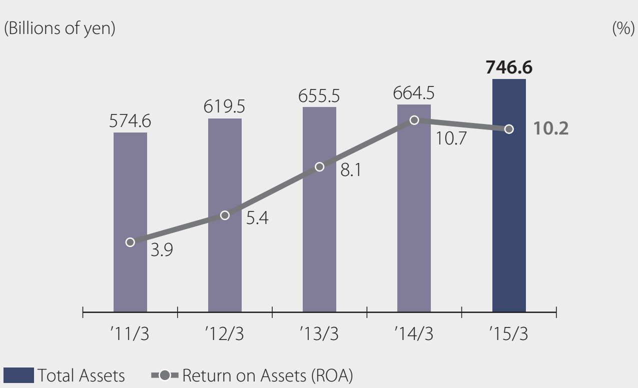
Current liabilities rose to ¥116.3 billion (up 6.0%), mainly due to a rise in accounts payable—other.

Total non-current liabilities increased to ¥66.2 billion (up 8.3%). The increase reflected an increase in bonds due to the issuance of the Eleventh issue of unsecured bonds (¥20 billion) and Twelfth issue of unsecured bonds (¥30 billion) and an increase in deferred tax liabilities due to an increase in the market values of investment securities, although there was also a decline in long-term loans payable due to early repayment of earthquake risk countermeasure financing (¥50 billion), among other factors.

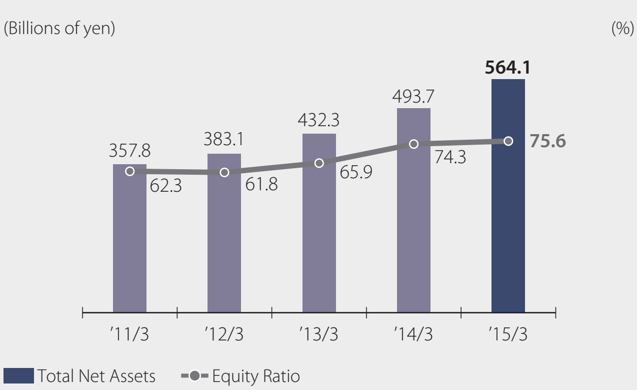
The balance of net interest-bearing debt as of March 31, 2015 stood at ¥57.8 billion, and the D/E ratio was 0.10 times.

Net Assets
Total net assets as of March 31, 2015 were ¥564.1 billion (up 14.3%) as a result of an increase in retained earnings from net income. The equity ratio stood at 75.6% (up 1.3 percentage points).

■ Total Assets / Return on Assets (ROA)



■ Total Net Assets / Equity Ratio



(3) Cash Flows

Cash Flows

Cash and cash equivalents as of March 31, 2015 totaled ¥106.3 billion, up ¥26.3 billion year on year.

• Cash Flows from Operating Activities

Net cash provided by operating activities decreased ¥15.2 billion year on year to ¥105.5 billion due to factors such as a rise in income taxes paid.

• Cash Flows from Investing Activities

Net cash used in investing activities increased ¥44.7 billion year on year to ¥68.1 billion due to factors such as purchases of property, plant and equipment.

• Cash Flows from Financing Activities

Net cash used in financing activities decreased ¥66.8 billion year on year to ¥11.1 billion due to factors such as proceeds from bond issues.

Capital Expenditures and Depreciation and Amortization

Capital expenditures were ¥37.0 billion (up 81.8% year on year).

The increase was due to increases in capital expenditures as well as upgrades and improvements such as “Stitch Encounter” at Tokyo Disneyland and the renewal of “Mermaid Lagoon Theater” at Tokyo DisneySea.

Depreciation and amortization totaled ¥34.6 billion (down 6.2%).

Operating Cash Flow*

Under the 2016 Medium-Term Plan, which started from the fiscal year ended March 31, 2015, the OLC Group set a target of operating cash flow of ¥280 billion over three years. In the fiscal year ended March 31, 2015, the first year of the plan, operating cash flow totaled ¥106.7 billion (down 0.7%). This result reflected a decline in depreciation and amortization, which was partially offset by an increase in net income.

* Operating cash flow = Net income + Depreciation and amortization

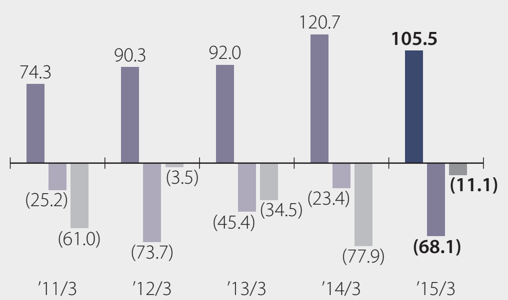
Fund Procurement and Ratings

The OLC Group secures liquidity based on cash flows generated by daily operating activities. In the 2016 Medium-Term Plan announced in April 2014, a policy was established aiming to raise corporate value by further generation of free cash flow from operating cash flow based on maximization of operating cash flow as the source of funding for investments. This replaces the free cash flow policy adopted to date.

Turning to ratings, as of the end of the period under review, Oriental Land was given an AA by Japan Credit Rating Agency (JCR) and an AA– by Rating and Investment Information (R&I).

■ Cash Flows

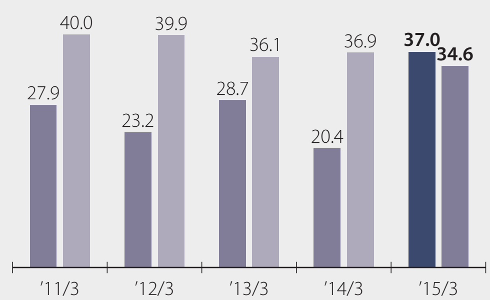
(Billions of yen)



Cash Flows from Operating Activities Cash Flows from Investing Activities
Cash Flows from Financing Activities

■ Capital Expenditures / Depreciation and Amortization

(Billions of yen)



Capital Expenditures Depreciation and Amortization

2 Forecast for Consolidated Results (Fiscal Year Ending March 31, 2016)

(1) Forecast for Revenues and Income

(Billions of yen)

	Fiscal year ending March 31, 2016 (Forecast)	Fiscal year ended March 31, 2015	Increase (decrease)	Change from previous period (%)
Revenues	**470.3**	466.3	4.0	0.9
Theme Park Segment	**390.7**	387.6	3.0	0.8
Hotel Business Segment	**62.2**	61.1	1.2	1.9
Other Business Segment	**17.4**	17.6	(0.2)	(1.2)
Operating Income	**106.1**	110.6	(4.6)	(4.1)
Theme Park Segment	**92.0**	95.7	(3.6)	(3.8)
Hotel Business Segment	**12.6**	13.1	(0.5)	(4.2)
Other Business Segment	**1.3**	1.6	(0.3)	(18.3)
Net Income	**72.2**	72.1	0.2	0.2

Revenues

Due to an expected increase in revenues per Guest, revenues are projected to be ¥470.3 billion (up 0.9%).

• Theme Park Segment

Segment revenues are forecast to increase ¥3.0 billion to ¥390.7 billion (up 0.8%). This is mainly due to an expected increase in revenues per Guest driven by increased ticket receipts resulting from revisions in ticket prices, although theme park attendance is expected to decline as "Once Upon a Time" and "Anna and Elsa's *Frozen* Fantasy," which were particularly popular when first launched, will enter their second year of operation.

Theme Park Information

	Fiscal year ending March 31, 2016 (Forecast)	Fiscal year ended March 31, 2015	Change from previous period (%)
Theme park attendance (Millions of Guests)	**30.40**	31.38	(3.1)
Revenues per Guest (Yen)	**11,360**	10,955	3.7
Ticket receipts (Yen)	**4,980**	4,660	6.9
Merchandise (Yen)	**4,090**	4,043	1.2
Food and beverages (Yen)	**2,290**	2,252	1.7

• Hotel Business Segment

Segment revenues are expected to increase to ¥62.2 billion (up 1.9%). With regard to the occupancy rates at the Disney Hotels, the Company is projecting rates in the upper 90% range at Tokyo Disneyland Hotel, the lower 90% range at Tokyo DisneySea Hotel MiraCosta, and the lower 90% range at Disney Ambassador Hotel.

• Other Business Segment

Segment revenues are expected to decline to ¥17.4 billion (down 1.2%) due to a projected fall in monorail business revenues.

Operating Income

Operating income is expected to decline to ¥106.1 billion (down 4.1%) due to an increase in costs in the theme park business, despite an increase in revenues.

• Theme Park Segment

Operating income is expected to decline to ¥92.0 billion (down 3.8%), mainly reflecting an increase in costs, such as fixed and miscellaneous costs associated with a large-scale development initiative at the theme parks, despite an increase in revenues.

• Hotel Business Segment

Operating income is expected to decline to ¥12.6 billion (down 4.2%) due to an increase in fixed and miscellaneous costs associated with renovation of Guest rooms and so forth.

• Other Business Segment

Operating income is expected to decline to ¥1.3 billion (down 18.3%) due to such factors as lower monorail business revenues.

Net Income

Net income is forecast to increase to ¥72.2 billion (up 0.2%) due to a decrease in income taxes, despite a decline in operating income. Net income per share* is expected to increase to ¥216.23 (up 0.2%).

* The Company conducted a 4-for-1 stock split on April 1, 2015. The above figure is calculated based on the number of shares after the stock split.

(2) Cash Flows Forecast

Capital Expenditures and Depreciation and Amortization

Capital expenditures are expected to increase to ¥69.8 billion (up 88.5%) due to increases in capital expenditures as well as upgrades and improvements, such as the redevelopment of Fantasyland and the establishment of the new venue in Westernland at Tokyo Disneyland, as well as the renewal of the Hangar Stage at Tokyo DisneySea. Depreciation and amortization is expected to increase to ¥36.9 billion (up 6.5%), mainly due to the increase in upgrades and improvements at the theme parks.

Operating Cash Flow*

The Company is projecting operating cash flow of ¥109.1 billion (up 2.3%), due to increases in net income as well as depreciation and amortization.

* Operating cash flow = Net income + Depreciation and amortization

3 Progress on the Medium-Term Plan

(1) 2016 Medium-Term Plan (Fiscal Years Ending March 31, 2015–March 31, 2017)

To state our long-term management policies for responding to changes in the Group's situation and the market, we have formulated "OLC in 2023," our vision of what we want the OLC Group to be in 10 years. We have now started our 2016 Medium-Term Plan, which covers the first three years on the road to achieving "OLC in 2023."

In an effort to achieve our vision of "OLC in 2023," we will maximize the value of our theme parks by investing a total of around ¥500 billion in our Theme Park Segment. We are aiming to execute a large-scale development initiative that will have a significant positive impact on the value of our theme parks and enhance their capacities with the redevelopment of Fantasyland at Tokyo Disneyland and the development of a new themed port at Tokyo DisneySea.

Our quantitative target under the 2016 Medium-Term Plan is to achieve operating cash flow of over ¥280.0 billion during the three-year period starting from the fiscal year ended March 31, 2015. Our aim here is to maximize operating cash flow as a funding source for investments toward "OLC in 2023." As a result of capital expenditures for expanding the core business, such as the opening of Tokyo DisneySea, operating cash flow during the three-year period of the 2013 Medium-Term Plan amounted to ¥267.1 billion. This was a higher level compared with the period prior to the launch of Tokyo DisneySea. Our targeted operating cash flow for the three-year period under the 2016 Medium-Term Plan is about 5% higher than this, and we exceeded the plan in the fiscal year ended March 31, 2015 as a result of strong performance.

In addition, capital expenditures for the fiscal year ending March 31, 2016 are expected to rise remarkably along with crystallization of the large-scale development initiative. We intend to continue to steadily provide stockholder returns, while aiming to enhance our corporate value by allocating the operating cash flow that has been created to investments in the core business and new business growth, and by engaging in management from a long-term perspective. (Please see "2016 Medium-Term Plan" on page 20 for details.)

4 Basic Policy on Distribution of Profit and Dividends

Dividends

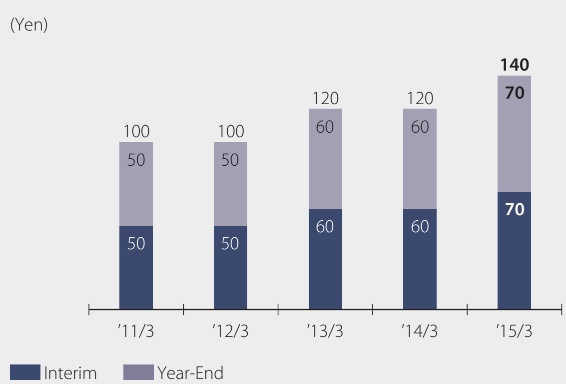
The total cash dividends for the fiscal year ended March 31, 2015 are set at ¥140 per share, up ¥20 from the previous fiscal year. This will make for a consolidated dividend payout ratio of 16.3%.

We will remain focused on stockholder returns when allocating a steady stream of free cash flow. Going forward, we aim to pay stable dividends while taking external factors into consideration.

ROE

ROE was 15.2% in the fiscal year ended March 31, 2014, and 13.6% in the fiscal year ended March 31, 2015. In both years, ROE exceeded our target of achieving at least 8.0%. We continue to aim for 8.0% or more through earnings growth and direct stockholder returns.

■ Annual Cash Dividends per Share



5 Business Risks

Issues that could exert a material effect on the results, financial position, stock price and other aspects of the OLC Group include, but are not limited to, the following. Management believes that these are among the issues that could significantly affect the decisions of investors.

Please note that forward-looking statements are based on judgments made by the OLC Group as of June 26, 2015.

(1) Risks Related to Weakening of the Tokyo Disney Resort Brand

Quality of Tangibles (Facilities, Services, etc.)

The OLC Group's principal business, Tokyo Disney Resort, maintains Guest satisfaction at a high level by constantly creating new experience value for Guests through such means as introducing new facilities. The OLC Group will work to raise the overall appeal of Tokyo Disney Resort by raising the quality of its facilities and services. However, lower Guest satisfaction due to factors including an inability to properly time investments as a result of unforeseen circumstances could damage the Group brand.

Quality of Intangibles (Cast Hospitality, etc.)

The OLC Group's principal business, Tokyo Disney Resort, is supported by numerous Cast Members. The hospitality of Cast Members creates strong feelings of satisfaction among Guests. Going forward, the OLC Group will educate Cast Members and create a work environment that gives Cast Members a sense of pride and joy in their work. However, lower Guest satisfaction due to factors including a shortage of workers as a result of unforeseen circumstances could damage the Group brand.

(2) Risks Related to Operations

Product Deficiencies and Problems

Incidents, including attraction incidents, the sale of defective merchandise or product tampering, involving the products and services of Tokyo Disney Resort, including attractions, merchandise and food, could entail serious harm to Guests and could result in material costs from factors including decreased trust in the Group's priority on safety, damage to the Group brand and lawsuits.

Regulatory Violations

The OLC Group emphasizes compliance in operating its businesses and conducting related transactions, including the procurement of products and materials. We maintain systems that promote compliance and provide ongoing education to managers. These efforts notwithstanding, failure among managers to prevent major regulatory violations or incidents could result in the cessation of part or all operations due to government actions, reduced trust in the OLC Group, damage to the Group brand or other negative consequences, including lawsuits involving large expenses.

Information Security

The OLC Group takes comprehensive precautions in its business activities to prevent avoidable leaks of the personal information it maintains on Guests and the proprietary information it maintains concerning business operations. These precautionary measures include strengthening surveillance systems for internal networks and limiting access to information.

However, unforeseeable or unexpected instances, such as the hacking of internal information, the misuse of internal databases and leaks or falsification, could lead to a decrease in trust in the OLC Group, damage to the Group brand or other negative consequences, including lawsuits involving large expenses, that could affect the performance of the OLC Group.

(3) Risks Related to the External Environment

Weather

In the OLC Group's principal business, Tokyo Disney Resort, the number of Guests that visit the theme parks is easily influenced by weather conditions, such as climate and temperature. Consequently, an extended period of inclement weather could lead to a temporary decrease in the number of Guests.

Natural Disasters

The OLC Group's business infrastructure is concentrated in the Maihama area, and a major earthquake, fire, flood or other disaster there could lead to adverse effects. Although the Group has given sufficient consideration to disaster resistance at all Tokyo Disney Resort facilities, there is a possibility that in the event of a disaster the damage caused to facilities, public transportation and lifelines (electricity, gas and water) will likely cause a drop in consumer confidence. This could lead to a temporary decrease in the number of Guests.

Terrorism, Infectious Diseases or Similar Incidents

The OLC Group has numerous facilities where Guests are present and places the highest priority on ensuring the safety at each of them. However, in the event of a terrorist attack or similar incident at a large-scale, consumer-oriented facility in Japan or overseas, or in the event of an outbreak of an infectious disease for which no treatment is available, consumer confidence would presumably decline. This could lead to a temporary decrease in the number of Guests.

Changes in the Domestic Economy

The results of the OLC Group's principal business, Tokyo Disney Resort, have been stable in the past, even when economic conditions were unfavorable in Japan. We therefore believe that Tokyo Disney Resort is not greatly affected by the state of the domestic economy. However, such factors as an unprecedented recession could lead to a temporary decrease in the number of Guests.

Regulatory Issues

The OLC Group is subject to various regulatory systems, including safety standards for attractions, quality standards for products and other items provided to Guests, environmental standards, accounting standards and tax laws. Of note, the OLC Group maintains its own standards for safety and quality that exceed those mandated by law. In other areas, the OLC Group promotes full compliance. However, the OLC Group would necessarily have to comply with newly introduced or revised laws and regulations as part of its responsibility to society, which could temporarily constrain some or all operations.

Consolidated Balance Sheets

As of March 31, 2015 and 2014

	Millions of yen		Thousands of U.S. dollars (Note 1)
	'15/3	'14/3	'15/3
ASSETS			
CURRENT ASSETS:			
Cash and cash equivalents (Notes 2 5 10)	¥ 106,279	¥ 80,018	$ 884,405
Trade receivables (Notes 5 10)	24,697	20,750	205,517
Inventories (Note 3)	17,342	14,610	144,312
Deferred tax assets (Note 8)	6,236	6,273	51,893
Other current assets (Notes 5 10)	87,776	52,701	730,433
Total current assets	242,330	174,352	2,016,560
THEME PARKS, RESORTS AND OTHER PROPERTY, AT COST:			
Attractions, buildings and equipment	961,518	951,041	8,001,315
Land	110,380	107,976	918,532
Construction in progress	13,842	5,963	115,187
	1,085,740	1,064,980	9,035,034
Less accumulated depreciation	(649,203)	(626,192)	(5,402,372)
Total theme parks, resorts and other property, at cost	436,537	438,788	3,632,662
INVESTMENTS AND OTHER ASSETS:			
Investment securities (Notes 2 5 10)	47,414	33,478	394,558
Goodwill (Notes 13 14)	744	992	6,191
Other intangible assets	10,354	8,743	86,161
Asset for retirement benefits (Note 7)	3,180	2,097	26,462
Deferred tax assets (Note 8)	874	885	7,273
Other assets (Notes 5 10)	5,208	5,204	43,339
Total investments and other assets	67,774	51,399	563,984
Total non-current assets	504,311	490,187	4,196,646
Total assets	¥ 746,641	¥ 664,539	$ 6,213,206

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

	'15/3 (Millions of yen)	'14/3 (Millions of yen)	'15/3 (Thousands of U.S. dollars (Note 1))
LIABILITIES			
CURRENT LIABILITIES:			
Trade payables (Note 10)	¥ 18,835	¥ 20,216	$ 156,736
Current portion of long-term debt (Notes 4 5 10)	4,467	5,585	37,172
Accrued income taxes	21,181	27,241	176,259
Reserve for loss on disaster	83	107	691
Other current liabilities (Note 5)	71,718	56,558	596,805
Total current liabilities	116,284	109,707	967,663
NON-CURRENT LIABILITIES:			
Long-term debt (Notes 4 5 10)	53,375	52,863	444,162
Liability for retirement benefits (Note 7)	3,185	2,931	26,504
Other non-current liabilities (Note 8)	9,668	5,341	80,453
Total non-current liabilities	66,228	61,135	551,119
Total liabilities	182,512	170,842	1,518,782
COMMITMENTS AND CONTINGENT LIABILITIES (Note 11)			
NET ASSETS			
SHAREHOLDERS' EQUITY: (Note 9)			
Common stock:			
Authorized—330,000,000 shares;			
Issued—90,922,540 shares in 2015 and 90,922,540 shares in 2014	63,201	63,201	525,930
Capital surplus	111,912	111,861	931,281
Retained earnings	418,717	358,955	3,484,372
Treasury stock—7,398,714 shares in 2015 and 7,422,294 shares in 2014	(46,863)	(46,685)	(389,973)
Total shareholders' equity	546,967	487,332	4,551,610
ACCUMULATED OTHER COMPREHENSIVE INCOME:			
Valuation difference on available-for-sale securities	15,107	6,014	125,714
Deferred gains or losses on hedges (Note 10)	4	—	33
Accumulated adjustment for retirement benefits (Note 7)	2,051	351	17,067
Total accumulated other comprehensive income	17,162	6,365	142,814
Total net assets	564,129	493,697	4,694,424
Total liabilities and net assets	¥746,641	¥664,539	$6,213,206

Consolidated Statements of Income

Years Ended March 31, 2015, 2014 and 2013

	'15/3	'14/3	'13/3	'15/3
			Millions of yen	Thousands of U.S. dollars (Note 1)
REVENUES	**¥466,292**	¥473,573	¥395,527	**$3,880,270**
COST OF REVENUES	**295,925**	301,069	265,946	**2,462,553**
Gross profit	**170,367**	172,504	129,581	**1,417,717**
SELLING, GENERAL AND ADMINISTRATIVE EXPENSES (Note 6)	**59,762**	58,013	48,114	**497,313**
Operating income	**110,605**	114,491	81,467	**920,404**
OTHER INCOME (EXPENSES):				
Interest and dividends income	**911**	875	754	**7,581**
Interest expenses	**(487)**	(1,161)	(1,673)	**(4,053)**
Equity in earnings of affiliates	**133**	113	103	**1,107**
Loss on bond retirement	**—**	(2,761)	(249)	**—**
Loss on retirement of non-current assets	**(1,071)**	(29)	(29)	**(8,912)**
Commission fee	**(687)**	(263)	(262)	**(5,717)**
Other, net	**1,082**	1,407	756	**9,004**
Total other income (expenses)	**(119)**	(1,819)	(600)	**(990)**
Income before income taxes	**110,486**	112,672	80,867	**919,414**
INCOME TAXES: (Note 8)				
Current	**38,423**	41,307	30,051	**319,739**
Deferred	**0**	793	(668)	**0**
Total income taxes	**38,423**	42,100	29,383	**319,739**
Income before minority interests	**72,063**	70,572	51,484	**599,675**
Net income	**¥ 72,063**	¥ 70,572	¥ 51,484	**$ 599,675**

			Yen	U.S. dollars (Note 1)
AMOUNTS PER SHARE:				
Net income	**¥215.72**	¥211.33	¥616.96	**$1.80**
Diluted net income	**208.60**	203.76	580.87	**1.74**
Cash dividends	**140.00**	120.00	120.00	**1.17**

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Consolidated Statements of Comprehensive Income

Years Ended March 31, 2015, 2014 and 2013

	'15/3	'14/3	'13/3	'15/3
			Millions of yen	Thousands of U.S. dollars (Note 1)
INCOME BEFORE MINORITY INTERESTS	**¥72,063**	¥70,572	¥51,484	**$599,675**
OTHER COMPREHENSIVE INCOME:				
Valuation difference on available-for-sale securities	**9,093**	62	5,742	**75,668**
Deferred gains or losses on hedges	**4**	—	673	**33**
Adjustment for retirement benefits	**1,700**	—	—	**14,146**
Total other comprehensive income (Note 12)	**10,797**	62	6,415	**89,847**
Comprehensive income (Note 12)	**¥82,860**	¥70,634	¥57,899	**$689,522**

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Consolidated Statements of Changes in Net Assets

Years Ended March 31, 2015, 2014 and 2013

Millions of yen

'15/3	Number of shares (Thousands)	Shareholders' equity: Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2014	90,923	¥63,201	¥111,861	¥358,955	¥(46,685)	¥487,332
Cumulative effects of changes in accounting polices			51	(1,418)	(366)	(1,733)
Balance at beginning of the period reflecting changes in accounting policies		63,201	111,912	357,537	(47,051)	485,599
Changes of items during the period						
Dividends from retained earnings				(10,883)		(10,883)
Net income				72,063		72,063
Purchase of treasury stock					(0)	(0)
Disposal of treasury stock					188	188
Net changes of items other than shareholders' equity						
Total changes of items during the period	—	¥ —	¥ —	¥ 61,180	¥ 188	¥ 61,368
Balance at March 31, 2015	90,923	¥63,201	¥111,912	¥418,717	¥(46,863)	¥546,967

Millions of yen

'15/3	Accumulated other comprehensive income: Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Accumulated adjustment for retirement benefits	Total accumulated other comprehensive income	Total net assets
Balance at April 1, 2014	¥ 6,014	¥—	¥ 351	¥ 6,365	¥493,697
Cumulative effects of changes in accounting polices					(1,733)
Balance at beginning of the period reflecting changes in accounting policies	6,014	—	351	6,365	491,964
Changes of items during the period					
Dividends from retained earnings					(10,883)
Net income					72,063
Purchase of treasury stock					(0)
Disposal of treasury stock					188
Net changes of items other than shareholders' equity	9,093	4	1,700	10,797	10,797
Total changes of items during the period	¥ 9,093	¥ 4	¥1,700	¥10,797	¥ 72,165
Balance at March 31, 2015	¥15,107	¥ 4	¥2,051	¥17,162	¥564,129

Millions of yen

'14/3	Number of shares (Thousands)	Shareholders' equity: Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2013	90,923	¥63,201	¥111,585	¥298,401	¥(46,877)	¥426,310
Changes of items during the period						
Dividends from retained earnings				(10,018)		(10,018)
Net income				70,572		70,572
Disposal of treasury stock			276		192	468
Net changes of items other than shareholders' equity						
Total changes of items during the period	—	¥ —	¥ 276	¥ 60,554	¥ 192	¥ 61,022
Balance at March 31, 2014	90,923	¥63,201	¥111,861	¥358,955	¥(46,685)	¥487,332

Millions of yen

'14/3	Accumulated other comprehensive income: Valuation difference on available-for-sale securities	Accumulated adjustment for retirement benefits	Total accumulated other comprehensive income	Total net assets
Balance at April 1, 2013	¥5,952	¥ —	¥5,952	¥432,262
Changes of items during the period				
Dividends from retained earnings				(10,018)
Net income				70,572
Disposal of treasury stock				468
Net changes of items other than shareholders' equity	62	351	413	413
Total changes of items during the period	¥ 62	¥351	¥ 413	¥ 61,435
Balance at March 31, 2014	¥6,014	¥351	¥6,365	¥493,697

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Millions of yen

'13/3	Number of shares (Thousands)	Shareholders' equity: Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2012	90,923	¥63,201	¥111,417	¥256,095	¥(47,165)	¥383,548
Changes of items during the period						
Dividends from retained earnings				(9,178)		(9,178)
Net income				51,484		51,484
Purchase of treasury stock					(0)	(0)
Disposal of treasury stock			168		288	456
Net changes of items other than shareholders' equity						
Total changes of items during the period	—	¥ —	¥ 168	¥ 42,306	¥ 288	¥ 42,762
Balance at March 31, 2013	90,923	¥63,201	¥111,585	¥298,401	¥(46,877)	¥426,310

Millions of yen

'13/3	Accumulated other comprehensive income: Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Total accumulated other comprehensive income	Total net assets
Balance at April 1, 2012	¥ 210	¥(673)	¥ (463)	¥383,085
Changes of items during the period				
Dividends from retained earnings				(9,178)
Net income				51,484
Purchase of treasury stock				(0)
Disposal of treasury stock				456
Net changes of items other than shareholders' equity	5,742	673	6,415	6,415
Total changes of items during the period	¥5,742	¥ 673	¥6,415	¥ 49,177
Balance at March 31, 2013	¥5,952	¥ —	¥5,952	¥432,262

Thousands of U.S. dollars (Note 1)

'15/3	Number of shares (Thousands)	Shareholders' equity: Common stock	Capital surplus	Retained earnings	Treasury stock	Total shareholders' equity
Balance at April 1, 2014	**90,923**	**$525,930**	**$930,856**	**$2,987,060**	**$(388,491)**	**$4,055,355**
Cumulative effects of changes in accounting polices			**425**	**(11,800)**	**(3,046)**	**(14,421)**
Balance at beginning of the period reflecting changes in accounting policies		**525,930**	**931,281**	**2,975,260**	**(391,537)**	**4,040,934**
Changes of items during the period						
Dividends from retained earnings				**(90,563)**		**(90,563)**
Net income				**599,675**		**599,675**
Purchase of treasury stock					**(0)**	**(0)**
Disposal of treasury stock					**1,564**	**1,564**
Net changes of items other than shareholders' equity						
Total changes of items during the period	**—**	**$ —**	**$ —**	**$ 509,112**	**$ 1,564**	**$ 510,676**
Balance at March 31, 2015	**90,923**	**$525,930**	**$931,281**	**$3,484,372**	**$(389,973)**	**$4,551,610**

Thousands of U.S. dollars (Note 1)

'15/3	Accumulated other comprehensive income: Valuation difference on available-for-sale securities	Deferred gains or losses on hedges	Accumulated adjustment for retirement benefits	Total accumulated other comprehensive income	Total net assets
Balance at April 1, 2014	**$ 50,046**	**$ —**	**$ 2,921**	**$ 52,967**	**$4,108,322**
Cumulative effects of changes in accounting polices					**(14,421)**
Balance at beginning of the period reflecting changes in accounting policies	**50,046**	**—**	**2,921**	**52,967**	**4,093,901**
Changes of items during the period					
Dividends from retained earnings					**(90,563)**
Net income					**599,675**
Purchase of treasury stock					**(0)**
Disposal of treasury stock					**1,564**
Net changes of items other than shareholders' equity	**75,668**	**33**	**14,146**	**89,847**	**89,847**
Total changes of items during the period	**$ 75,668**	**$33**	**$14,146**	**$ 89,847**	**$ 600,523**
Balance at March 31, 2015	**$125,714**	**$33**	**$17,067**	**$142,814**	**$4,694,424**

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Consolidated Statements of Cash Flows

Years Ended March 31, 2015, 2014 and 2013

	Millions of yen			Thousands of U.S. dollars (Note 1)
	'15/3	'14/3	'13/3	'15/3
CASH FLOWS FROM OPERATING ACTIVITIES:				
Income before income taxes	¥110,486	¥112,672	¥ 80,867	$ 919,414
Adjustments to reconcile income before income taxes to net cash provided by operating activities:				
Depreciation and amortization	34,637	36,934	36,132	288,233
Amortization of goodwill	248	248	—	2,064
Increase (decrease) in estimated termination and retirement and other allowances	(30)	(83)	(166)	(250)
Increase (decrease) in liability for retirement benefits	285	(2,060)	—	2,372
Interest and dividends income	(911)	(875)	(754)	(7,581)
Interest expenses	487	1,161	1,673	4,053
Exchange loss (gain)	44	12	19	366
Equity in earnings of affiliates	(133)	(113)	(103)	(1,107)
Loss on bond retirement	—	2,761	249	—
Decrease (increase) in trade receivables	(3,749)	(1,415)	(1,270)	(31,197)
Decrease (increase) in inventories	(2,732)	(373)	(2,653)	(22,734)
Increase (decrease) in trade payables	129	1,988	3,137	1,073
Increase (decrease) in accrued consumption taxes	3,921	1,290	(199)	32,629
Other, net	6,954	2,913	4,440	57,868
Subtotal	149,636	155,060	121,372	1,245,203
Interest and dividends received	871	982	755	7,248
Interest paid	(583)	(927)	(1,761)	(4,852)
Income taxes paid	(44,410)	(34,440)	(28,383)	(369,560)
Net cash provided by operating activities	105,514	120,675	91,983	878,039
CASH FLOWS FROM INVESTING ACTIVITIES:				
Addition of time deposits included in other current assets	(95,000)	(70,000)	(94,500)	(790,547)
Proceeds from maturity of time deposits included in other current assets	70,000	68,000	95,500	582,508
Payment for purchase of marketable securities	(17,499)	—	(3,500)	(145,619)
Proceeds from maturity of marketable securities	7,510	700	3,500	62,495
Payment for purchase of property	(27,974)	(18,594)	(23,310)	(232,787)
Payment for purchase of investment securities	(710)	(691)	(2,752)	(5,908)
Purchase of investments in subsidiaries resulting in change in scope of consolidation	—	—	(367)	—
Payments for loans receivable	(1)	(3)	(17,502)	(8)
Collection of loans receivable	350	86	197	2,913
Other, net	(4,777)	(2,855)	(2,643)	(39,753)
Net cash used in investing activities	(68,101)	(23,357)	(45,377)	(566,706)
CASH FLOWS FROM FINANCING ACTIVITIES:				
Proceeds from long-term debt	54,853	3,783	—	456,462
Repayment of long-term debt	(55,606)	(72,119)	(25,811)	(462,728)
Dividends paid	(10,845)	(9,992)	(9,151)	(90,247)
Purchase of treasury stock	(0)	—	(0)	(0)
Other, net	491	459	446	4,086
Net cash used in financing activities	(11,107)	(77,869)	(34,516)	(92,427)
Effect of exchange rate changes on cash and cash equivalents	(45)	(14)	(18)	(374)
Net increase (decrease) in cash and cash equivalents	26,261	19,435	12,072	218,532
Cash and cash equivalents at beginning of period	80,018	60,583	48,511	665,873
Cash and cash equivalents at end of period	¥106,279	¥ 80,018	¥ 60,583	$ 884,405

The accompanying Notes to Consolidated Financial Statements are an integral part of these statements.

Notes to Consolidated Financial Statements

1 SIGNIFICANT ACCOUNTING AND REPORTING POLICIES

A Basis of presenting consolidated financial statements

The accompanying consolidated financial statements have been prepared in accordance with the provisions set forth in the Japanese Financial Instruments and Exchange Law and its related accounting regulations, and in conformity with accounting principles generally accepted in Japan ("Japanese GAAP"), which are different in certain aspects as to application and disclosure requirements from the International Financial Reporting Standards.

The accompanying consolidated financial statements have been restructured and translated into English (with some expanded descriptions) from the consolidated financial statements of Oriental Land Co., Ltd. ("the Company") prepared in accordance with Japanese GAAP and filed with the appropriate Local Finance Bureau of the Ministry of Finance as required by the Financial Instruments and Exchange Law. Some supplementary information included in the statutory Japanese language consolidated financial statements, but not required for fair presentation, is not presented in the accompanying consolidated financial statements.

The translation of the Japanese yen amounts into U.S. dollars is included solely for the convenience of readers outside Japan, using the prevailing exchange rate at March 31, 2015, which was ¥120.17 to U.S.$1. The convenience translations should not be construed as representations that the Japanese yen amounts have been, could have been or could in the future be converted into U.S. dollars at this or any other rate of exchange.

Certain reclassifications have been made to the 2014 and 2013 consolidated financial statements to conform to the classifications used in 2015.

B Principles of consolidation

The consolidated financial statements include the accounts of the Company and all of its subsidiaries ("the Companies"). Material inter-company balances, transactions and profits have been eliminated in consolidation. In the elimination of investments in subsidiaries, the assets and liabilities of the subsidiaries, including the portion attributable to minority stockholders, are evaluated using the fair value at the time the Company acquired control of the respective subsidiaries. The number of consolidated subsidiaries was 17 in 2015, 2014 and 2013.

Investment in affiliates (generally 20–50% owned companies) are accounted for by the equity method and are included in investment securities in the accompanying consolidated balance sheets. The number of companies accounted for under the equity method was 3 in 2015, 2014 and 2013.

C Foreign currency translation

Receivables and payables denominated in foreign currencies are translated into Japanese yen at the exchange rates prevailing on the balance sheet date. Gains and losses resulting from the translation are charged to income.

D Cash and cash equivalents

In preparing the consolidated statements of cash flows, cash on hand, readily available deposits and short-term highly liquid investments with negligible risk of changes in value and maturities not exceeding three months at the time of purchase, are considered to be cash and cash equivalents.

E Marketable securities and investment securities

Marketable securities and investment securities are classified as (a) securities held for trading purposes (hereafter, "trading securities"), (b) debt securities intended to be held to maturity (hereafter, "held-to-maturity-debt securities"), (c) equity securities issued by subsidiaries and affiliate companies or (d) all other securities that are not classified in any of the above categories (hereafter, "available-for-sale securities"). The Companies do not have trading securities and held-to-maturity-debt securities.

Available-for-sale securities with available fair market value are stated at fair market value as of the balance sheet date. Unrealized gains or losses on these securities are reported, net of applicable income taxes, as a separate component of net assets. Realized gains and losses on sales of such securities are computed using the moving-average method. Available-for-sale securities without fair market value are stated at the moving-average cost.

If the market value of available-for-sale securities declines significantly, such securities are restated at fair market value and the difference between fair market value and the carrying amount is recognized as loss in the period of the decline. For the available-for-sale securities without fair market value, if the net asset value declines significantly, such securities are restated to net asset value with the corresponding losses recognized in the period of decline. In these cases, such fair market value or the net asset value will be the carrying amount of the securities at the beginning of the next year.

F Inventories

Consumer products, materials for food, beverages and supplies are primarily stated at the lower of cost or market using the moving-average method.

G Theme parks, resorts and other property

Depreciation on property of Tokyo Disneyland and others is computed primarily using the declining-balance method. Depreciation on property of Tokyo DisneySea and others and buildings acquired after April 1, 1998 is computed primarily using the straight-line method.

Ordinary maintenance and repairs are charged to income as incurred. Major replacements and betterments are capitalized. When property is retired or otherwise disposed of, the property and accumulated depreciation accounts related to it are relieved of the applicable amounts and any differences are included in maintenance costs for theme parks, resorts and other property, except for the extraordinary nature of disposal of property which is included in other expenses.

H Amortization method and period of goodwill

Amortization of goodwill is computed by the straight-line method over a period of five years.

I Software

Amortization of software for internal use, included in other intangible assets, is computed by the straight-line method over the estimated useful lives (five years).

J Retirement benefits

(1) Standard for recording liability for retirement benefits

To provide employees with retirement benefits, liability for retirement benefits is recorded by posting the amount of plan assets deducted from projected benefit obligations based on estimates as of the end of the fiscal year (if the amount of plan assets exceeds projected benefit obligations, asset for retirement benefits is recorded in investments and other assets).

(2) Attribution method for estimated retirement benefits

When calculating retirement benefit obligations, the straight-line method was used for attributing expected benefits to the periods up to the end of the consolidated fiscal years for the years ended March 31, 2013 and March 31, 2014, while the benefit formula method was used for the period up to the end of the consolidated fiscal year ended March 31, 2015.

(3) Determination of actuarial gains and losses, prior service costs and net transition obligation

Unrecognized actuarial gains or losses are amortized on a straight-line basis over a fixed period (mainly 12 years) within the average remaining service years of employees at the time that liability was incurred in each fiscal year, commencing with the following consolidated fiscal year.

Prior service costs are amortized on a straight-line basis over a fixed period (mainly 15 years) within the average remaining service years of employees at the time that liability was incurred, commencing with the fiscal year in which an amount was proportionally distributed.

The net transition obligation (¥4,573 million) has been recognized in expenses in equal amounts over 15 years.

After adjusting for the tax effects, unrecognized actuarial gains and losses, unrecognized prior service costs and unrecognized net transition obligation are recorded in accumulated adjustment for retirement benefits in accumulated other comprehensive income in the net assets section.

K Hedge accounting method

(1) Hedge accounting method

(Currency swaps)

The Company uses deferral hedge accounting and appropriated treatment where the conditions for appropriated treatment are satisfied.

(2) Hedging instruments and hedged items

Hedging instruments: Currency swaps

Hedged items: Foreign currency-denominated transactions

(3) Hedge policy

In accordance with the Risk Management Policy, the Company uses currency swaps to mitigate exchange rate fluctuation risk, and does not use derivatives for speculative trading.

(4) Evaluation of hedge effectiveness

(Currency swaps)

To determine the effectiveness of a hedge, the Company compares the cumulative total of the market price fluctuations for the hedged item and those of the hedging instrument during the period from the initiation of the hedge until the point where its effectiveness is determined. Moreover, hedges that completely offset the fluctuations in cash flow due to the fluctuation in the foreign exchange rate are not evaluated for effectiveness.

L Income taxes

The provision for income taxes is computed based on income before income taxes included in the consolidated statements of income. The asset and liability approach is used to recognize deferred tax assets and liabilities for the expected future tax consequences of temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for income tax purposes.

M Per share data

Dividends per share shown in the consolidated statements of income have been presented on an accrual basis and include, in each fiscal period, dividends approved after each balance sheet date, but applicable to the fiscal period then ended. Net income per share is based on the weighted average number of shares of common stock.

Diluted net income per share assumes the dilution that would occur if stock acquisition rights were exercised. The number of shares used in the computations of diluted net income per share was 346,838 thousand shares for the year ended March 31, 2015, 347,754 thousand shares for the year ended March 31, 2014 and 89,144 thousand shares for the year ended March 31, 2013.

The Company conducted a 4-for-1 stock split on April 1, 2015. Net assets per share, net income per share and diluted net income per share in this report were calculated on the assumption that the stock split had taken place on April 1, 2013. Cash dividends per share shown in this report are unadjusted amounts before the stock split.

N Use of estimates

In preparing financial statements, generally accepted accounting principles require management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosures of contingent liabilities at the date of the financial statements and the reported amounts of revenue and expenses during the reporting period. Actual results could differ from those estimates.

O Change in accounting policy

(Change in the depreciation method)

From the year ended March 31, 2013, in accordance with the amendment in corporate tax law, the Companies have changed their depreciation method for theme parks, resorts and other property. Assets acquired on or after April 1, 2012 are depreciated using the method prescribed in the amended corporate tax law. The impact of this change on income figures in the year ended March 31, 2013 was immaterial.

(Application of accounting standard for retirement benefits)
Accounting Standard for Retirement Benefits (ASBJ Statement No. 26, May 17, 2012) and Guidance on Accounting Standard for Retirement Benefits (ASBJ Guidance No. 25, May 17, 2012) have been applied since the end of the fiscal year ended March 31, 2014 (but excluding provisions contained in the text of Paragraph 35 of Accounting Standard for Retirement Benefits and the text of Paragraph 67 of Guidance on Accounting Standard for Retirement Benefits.)

Because of this, the method of recording has changed to one wherein the amount by which plan assets exceed liability for retirement benefits for the pension plan is recorded as asset for retirement benefits and lump-sum retirement benefit obligations are recorded as liability for retirement benefits.

In addition, unrecognized actuarial gains and losses, unrecognized prior service costs and unrecognized net transition obligation are recorded in asset for retirement benefits and liability for retirement benefits.

Regarding the application of the standard for retirement benefits, in accordance with the transitional handling set forth in Paragraph 37 of Accounting Standard for Retirement Benefits, the effect of the change in accounting policies arising from initial application has been recognized in accumulated adjustment for retirement benefits in accumulated other comprehensive income.

As a result, at the end of the consolidated fiscal year ended March 31, 2014, the Company recorded asset for retirement benefits of ¥2,097 million and liability for retirement benefits of ¥2,931 million, while accumulated other comprehensive income increased by ¥351 million.

Net assets per share increased by ¥4.20.

Article 35 of Accounting Standard for Retirement Benefits and Article 67 of Guidance on Accounting Standard for Retirement Benefits have been applied since the fiscal year ended March 31, 2015.

The Companies have changed the determination of retirement benefit obligations and current service costs, as well as the method for attributing expected retirement benefits to periods from the straight-line method to the benefit formula method. In addition, the method for determining the discount rate was changed from a method based on a close period approximate to the expected average remaining service years of employees to a method using a single weighted average discount rate reflecting the estimated timing and amount of benefit payments.

In accordance with Article 37 of Accounting Standard for Retirement Benefits, the effect of changing the determination of retirement benefit obligations and current service costs has been recognized in retained earnings at the beginning of the fiscal year ended March 31, 2015.

As a result, the asset for retirement benefits decreased by ¥2,097 million ($17,450 thousand), the liability for retirement benefits increased by ¥8 million ($67 thousand) and retained earnings decreased by ¥1,359 million ($11,309 thousand) at the beginning of the fiscal year ended March 31, 2015. In addition, operating income and income before income taxes both increased by ¥89 million ($741 thousand) in the fiscal year ended March 31, 2015.

This resulted in a decrease of ¥3.89 ($0.03) in net assets per share and increases of ¥0.18 ($0.00) for net income per share and diluted net income per share in the fiscal year ended March 31, 2015.

Note: The Company conducted a 4-for-1 stock split on April 1, 2015. Net assets per share, net income per share and diluted net income per share in this report were calculated on the assumption that the stock split had taken place on April 1, 2013. Cash dividends per share shown in this report are unadjusted amounts before the stock split.

(Application of Practical Solution on Transactions of Delivering the Company's Own Stock to Employees etc. through Trusts)
The Company adopted "Practical Solution on Transactions Delivering the Company's Own Stock to Employees etc. through Trusts" (ASBJ Practical Solution No. 30, March 26, 2015) from the fiscal year ended March 31, 2015. As a result, the Company recognizes the difference between the carrying amount and the fair value of the Company's own stock when delivering its stock to employees through a trust and records the liability of the net amounts — the profit or loss of the Company's own stock that is sold to the employees' stock holding association from the trust, dividends that the Company paid to the trust and expenses accrued with regard to the trust. The effect of this change in accounting policy was immaterial and has not been retrospectively applied to the consolidated financial statements.

P Change in presentation method

(Consolidated statements of income)
From the fiscal year ended March 31, 2015, "Loss on retirement of non-current assets" and "Commission fee," which had been included in "Other, net" under "Other income (expenses)," in the fiscal year ended March 31, 2014, were listed separately due to their increased materiality. They were reclassified in the consolidated financial statements for the fiscal year ended March 31, 2014 to reflect this change in presentation method.

As a result, the ¥1,115 million that had been shown in "Other, net" under "Other income (expenses)" in the consolidated statements of income for the fiscal year ended March 31, 2014 was reclassified as ¥(29) million in "Loss on retirement of non-current assets," ¥(263) million in "Commission fee" and ¥1,407 million in "Other, net." Furthermore, the ¥465 million that had been shown in "Other, net" under "Other income (expenses)" in the consolidated statements of income for the fiscal year ended March 31, 2013 was reclassified as ¥(29) million in "Loss on retirement of non-current assets," ¥(262) million in "Commission fee" and ¥756 million in "Other, net."

Q Additional information

(Employee Stock Ownership Plan ESOP)
(1) Overview of the transaction
The Company has adopted the "Employee Stock Ownership Plan ESOP" in order to further enhance employees' welfare and grant incentives to improve the corporate value of the Company.

(2) The remaining balance of the Company's own stock in the trust
The Company records the remaining balance of its stock in the trust as treasury stock under net assets by the carrying amount (excluding the amount of ancillary expenses) in the trust. The carrying amount and number of shares of treasury stock for the fiscal years ended March 31, 2015, 2014 and 2013 are as follows:

(Year ended March 31, 2015)
Carrying amount ¥1,538 million ($12,799 thousand)
Number of shares of treasury stock: 7,398,714 shares
Of which, the number of shares of treasury stock owned by the Company: 7,206,014 shares
Of which, the number of shares of the Company's stock held by the trust: 192,700 shares
(Year ended March 31, 2014)
Carrying amount ¥1,727 million
Number of shares of treasury stock: 7,422,294 shares
Of which, the number of shares of treasury stock owned by the Company: 7,205,994 shares
Of which, the number of shares of the Company's stock held by the trust: 216,300 shares
(Year ended March 31, 2013)
Carrying amount ¥1,970 million
Number of shares of treasury stock: 7,452,794 shares
Of which, the number of shares of treasury stock owned by the Company: 7,205,994 shares
Of which, the number of shares of the Company's stock held by the trust: 246,800 shares

(3) The carrying amount of borrowing by applying the gross method
Fiscal year ended March 31, 2015 ¥917 million ($7,631 thousand)
Fiscal year ended March 31, 2014 ¥1,412 million
Fiscal year ended March 31, 2013 ¥1,880 million

(Revision of deferred tax assets and liabilities due to changes in the income tax rate)
On March 31, 2014, a partial revision of the Income Tax Law (Law No. 10, 2014) was announced and as a result, the Company will not be subject to the special income tax for reconstruction from the consolidated fiscal year beginning from April 1, 2014. As a result, the statutory tax rate, which is used to calculate deferred tax assets and deferred tax liabilities for temporary differences that are expected to be eliminated in the consolidated fiscal year beginning from April 1, 2014, will be lowered from 37.8% to 35.4%.

Due to this change in tax rate, deferred tax assets (the amount from which deferred tax liabilities have been deducted) decreased ¥414 million while income taxes deferred increased by the same amount.

On March 31, 2015, a partial revision of the Income Tax Law (Law No. 9, 2015) and a partial revision of the Local Tax Law (Law No. 2, 2015) were announced and, as a result, the Company's rate of corporate and other income taxation will be lowered for the consolidated fiscal years beginning on or after April 1, 2015. As a result, the statutory tax rate, which is used to calculate deferred tax assets and deferred tax liabilities for temporary differences that are expected to be eliminated in the consolidated fiscal year beginning from April 1, 2015, will be lowered from 35.4% to 32.8%. Likewise, the statutory tax rate will be lowered to 32.1% for temporary differences that are expected to be eliminated in the consolidated fiscal years beginning on or after April 1, 2016.

Due to these changes in the tax rate, deferred tax assets (the amount from which deferred tax liabilities have been deducted) increased by ¥27 million (US$225 thousand), income taxes deferred increased by ¥770 million (US$6,408 thousand), valuation difference on available-for-sale securities increased by ¥738 million (US$6,141 thousand), deferred gains (losses) on hedges increased by ¥0 million (US$1 thousand) and accumulated adjustment for retirement benefits increased by ¥71 million (US$591 thousand).

2 MARKETABLE SECURITIES AND INVESTMENT SECURITIES

The following tables summarize book values, acquisition costs and differences of available-for-sale securities with available fair value as of March 31, 2015 and 2014:

Securities with book values exceeding acquisition costs

	Millions of yen						Thousands of U.S. dollars		
	'15/3			'14/3			'15/3		
Type	Book value	Acquisition cost	Difference	Book value	Acquisition cost	Difference	Book value	Acquisition cost	Difference
Equity securities	**¥42,384**	**¥20,154**	**¥22,230**	¥28,078	¥19,034	¥9,044	**$352,700**	**$167,712**	**$184,988**
Bonds	**2,708**	**2,703**	**5**	706	702	4	**22,535**	**22,493**	**42**
Others	—	—	—	—	—	—	—	—	—
Total	**¥45,092**	**¥22,857**	**¥22,235**	¥28,784	¥19,736	¥9,048	**$375,235**	**$190,205**	**$185,030**

Securities with book values not exceeding acquisition costs

	Millions of yen						Thousands of U.S. dollars		
	'15/3			'14/3			'15/3		
Type	Book value	Acquisition cost	Difference	Book value	Acquisition cost	Difference	Book value	Acquisition cost	Difference
Equity securities	**¥ —**	**¥ —**	**¥—**	¥ 401	¥ 420	¥(19)	**$ —**	**$ —**	**$—**
Bonds	—	—	—	3,000	3,000	(0)	—	—	—
Others	**39,500**	**39,500**	**(0)**	33,500	33,500	—	**328,701**	**328,701**	**(0)**
Total	**¥39,500**	**¥39,500**	**¥ (0)**	¥36,901	¥36,920	¥(19)	**$328,701**	**$328,701**	**$ (0)**

Non-listed equity securities and others (total amount of ¥2,274 million (US$18,923 thousand) and ¥2,349 million at March 31, 2015 and 2014, respectively) are not included in the above table, as they have no market value and their fair value is not readily determinable.

3 INVENTORIES

Inventories at March 31, 2015 and 2014 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	'15/3	'14/3	'15/3
Merchandise and finished goods	**¥11,627**	¥ 9,372	**$ 96,754**
Work in process	**130**	58	**1,082**
Raw materials and supplies	**5,585**	5,180	**46,476**
Total	**¥17,342**	¥14,610	**$144,312**

4 LONG-TERM DEBT

Long-term debt as of March 31, 2015 and 2014 is summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	'15/3	'14/3	'15/3
Bonds			
0.23%, unsecured straight bonds, payable in yen, due 2020	**¥20,000**	¥ —	**$166,431**
0.37%, unsecured straight bonds, payable in yen, due 2022	**30,000**	—	**249,646**
Subtotal	**50,000**	—	**416,077**
Loans			
Unsecured bank loans due 2015 through 2030 at the average interest rate of 0.90%	**6,678**	57,212	**55,571**
Unsecured loans from life insurance companies due 2015 at the average interest rate of 0.38%	**1,150**	1,217	**9,570**
Subtotal	**7,828**	58,429	**65,141**
Payables			
Unsecured other long-term payable 4.18%, due 2018	**14**	19	**116**
Subtotal	**14**	19	**116**
Total	**57,842**	58,448	**481,334**
Less current portion included in current liabilities	**(4,467)**	(5,585)	**(37,172)**
Grand total	**¥53,375**	¥52,863	**$444,162**

The average interest rates are weighted averages with respect to the year-end loan balances.

The aggregate annual maturities of long-term debt subsequent to March 31, 2015 are summarized as follows:

	Millions of yen	Thousands of U.S. dollars
Year ending March 31,		
2016	¥ 4,467	$ 37,172
2017	528	4,394
2018	117	974
2019	116	965
2020	21,268	176,982
2021 thereafter	31,346	260,847
Total	¥57,842	$481,334

5 PLEDGED ASSETS

The net carrying value of pledged assets at March 31, 2015 and 2014 is as follows:

	Millions of yen		Thousands of U.S. dollars
	'15/3	'14/3	'15/3
Cash and cash equivalents	**¥ 193**	¥ 194	**$1,606**
Trade receivables	**28**	16	**233**
Investment securities	**709**	695	**5,900**
Others	**108**	114	**899**
Total	**¥1,038**	¥1,019	**$8,638**

In addition to the above, the future receivables of a consolidated subsidiary, trade receivables eliminated internally on consolidation (¥1 million (US$8 thousand) and ¥1 million in the years ended March 31, 2015 and 2014, respectively) and other current assets (¥1 million (US$8 thousand) and ¥1 million in the years ended March 31, 2015 and 2014, respectively) were pledged.

Cash and cash equivalents trade receivables and future receivables of a subsidiary are pledged to secure the current portion of long-term debt and long-term debt (¥1,911 million (US$15,902 thousand) and ¥2,016 million at March 31, 2015 and 2014, respectively). Investment securities are pledged to other current liabilities (¥399 million (US$3,320 thousand) and ¥374 million at March 31, 2015 and 2014, respectively).

6 SELLING, GENERAL AND ADMINISTRATIVE EXPENSES

The main items within selling, general and administrative expenses for the fiscal years ended March 31, 2015, 2014 and 2013 are as follows:

	Millions of yen			Thousands of U.S. dollars
	'15/3	'14/3	'13/3	'15/3
Salary and allowances	**¥13,400**	¥13,576	¥10,018	**$111,509**
Consumables	**6,026**	5,220	4,249	**50,146**

7 RETIREMENT BENEFITS

Projected benefit obligations at the beginning and end of the period as of March 31, 2015 and 2014 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	'15/3	'14/3	'15/3
Projected benefit obligations at beginning of period	**¥29,623**	¥29,002	**$246,509**
Cumulative effects of changes in accounting policies	**2,105**	—	**17,517**
Balance at beginning of period reflecting changes in accounting policies	**31,728**	29,002	**264,026**
Service costs-benefits earned during the year	**1,694**	1,525	**14,097**
Interest cost on projected benefit obligation	**313**	548	**2,605**
Actuarial gains and losses	**(120)**	(430)	**(999)**
Retirement benefits paid	**(969)**	(1,022)	**(8,064)**
Projected benefit obligations at end of period	**¥32,646**	¥29,623	**$271,665**

Note: Severance and retirement benefit expenses of consolidated subsidiaries that employ the simplified method are recorded in "Service costs-benefits earned during the year."

Plan assets at the beginning and end of the period as of March 31, 2015 and 2014 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	'15/3	'14/3	'15/3
Plan assets at beginning of period	**¥28,789**	¥22,685	**$239,569**
Expected return on plan assets	**749**	590	**6,233**
Actuarial gains and losses	**2,022**	1,033	**16,826**
Employer's contribution	**1,913**	5,398	**15,919**
Retirement benefits paid	**(832)**	(917)	**(6,924)**
Plan assets at end of period	**¥32,641**	¥28,789	**$271,623**

Reconciliation from projected benefit obligations and plan assets to liability and asset for retirement benefits as of March 31, 2015 and 2014 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	'15/3	'14/3	'15/3
Projected benefit obligations for funded plans	**¥ 29,461**	¥ 26,692	**$ 245,161**
Less fair value of plan assets	**(32,641)**	(28,789)	**(271,623)**
	(3,180)	(2,097)	**(26,462)**
Projected benefit obligations for unfunded plans	**3,185**	2,931	**26,504**
Net liability (asset) recorded in the consolidated balance sheets	**5**	834	**42**
Liability for retirement benefits	**3,185**	2,931	**26,504**
Asset for retirement benefits	**(3,180)**	(2,097)	**(26,462)**
Net liability (asset) recorded in the consolidated balance sheets	**¥ 5**	¥ 834	**$ 42**

Severance and retirement benefit expenses of defined benefit plans and a breakdown of their amounts by item as of March 31, 2015 and 2014 are summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	'15/3	'14/3	'15/3
Service costs-benefits earned during the year	**¥1,684**	¥1,506	**$14,013**
Interest cost on projected benefit obligations	**313**	548	**2,605**
Expected return on plan assets	**(749)**	(590)	**(6,233)**
Amortization of net transition obligation	**305**	305	**2,538**
Amortization of actuarial gains and losses	**45**	137	**374**
Amortization of prior service costs	**31**	36	**258**
Other	**33**	28	**275**
Severance and retirement benefit expenses of defined benefit plans	**¥1,662**	¥1,970	**$13,830**

Note: Severance and retirement benefit expenses of consolidated subsidiaries that employ the simplified method are recorded in "Service costs-benefits earned during the year."

A breakdown of items (before adjusting for tax effects) recorded in remeasurements of defined benefit plans as of March 31, 2015 and 2014 is summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	'15/3	'14/3	'15/3
Net transition obligation	**¥ (305)**	¥—	**$ (2,538)**
Actuarial gains and losses	**(2,187)**	—	**(18,199)**
Prior service costs	**(30)**	—	**(250)**
Total	**¥(2,522)**	¥—	**$(20,987)**

A breakdown of items (before adjusting for tax effects) recorded in accumulated adjustment for retirement benefits as of March 31, 2015 and 2014 is summarized as follows:

	Millions of yen		Thousands of U.S. dollars
	'15/3	'14/3	'15/3
Unrecognized net transition obligation	**¥ —**	¥ 305	**$ —**
Unrecognized actuarial gains and losses	**(3,214)**	(1,027)	**(26,746)**
Unrecognized prior service costs	**148**	179	**1,232**
Total	**¥(3,066)**	¥ (543)	**$(25,514)**

Items related to plan assets as of March 31, 2015 and 2014 are summarized as follows:

(1) The ratio for each main classification for total plan assets as of March 31, 2015 and 2014 is summarized as follows:

	'15/3	'14/3
Bonds	**47%**	49%
Equity securities	**25**	24
General accounts	**22**	22
Other	**6**	5
Total	**100%**	100%

(2) Method for calculating the expected long-term rate of return

To determine the expected long-term rate of return on plan assets, the Company takes into account current and projected asset allocations, as well as current and expected long-term rates of return on various categories of assets that make up plan assets.

The basis for calculating key actuarial assumptions as of March 31, 2015 and 2014 is summarized as follows:

	'15/3	'14/3
Discount rate	**mainly 1.0%**	mainly 2.0%
Long-term expected rate of return on plan assets	**2.6%**	2.6%

Provision for retirement benefits recorded in the liabilities section of the consolidated balance sheets as of March 31, 2013 is summarized as follows:

	Millions of yen
	'13/3
Projected benefit obligations	¥ 29,002
Less fair value of plan assets	(22,685)
Funded status	6,317
Unrecognized net transition obligation	(610)
Unrecognized actuarial gains and losses	(578)
Unrecognized prior service costs	(210)
Liability for severance and retirement benefits, net	4,919
Prepaid plan cost	—
Provision for retirement benefits	¥ 4,919

Included in the consolidated statements of income for the year ended March 31, 2013 are severance and retirement benefit expenses comprised as follows:

	Millions of yen
	'13/3
Service costs-benefits earned during the year	¥1,423
Interest cost on projected benefit obligations	536
Expected return on plan assets	(499)
Amortization of prior service costs	31
Amortization of actuarial gains and losses	273
Amortization of net transition obligation	305
Special termination benefit	28
Severance and retirement benefit expenses	¥2,097

	'13/3
Discount rate	mainly 2.0%
Expected rate of return on plan assets	2.5%

The estimated amount of all retirement benefits to be paid at the future retirement date is allocated equally to each service year using the estimated number of service years.

8 INCOME TAXES

The Companies are subject to corporation, enterprise and inhabitants' taxes, which resulted in a statutory tax rate of approximately 35.4% for the year ended March 31, 2015 and 37.8% for the years ended March 31, 2014 and 2013.

The differences between the statutory tax rate and the Companies' effective tax rate for financial statement purposes for the years ended March 31, 2015, 2014 and 2013 are not shown because they were not significant.

Significant components of the Companies' deferred tax assets and liabilities as of March 31, 2015 and 2014 are as follows:

	Millions of yen		Thousands of U.S. dollars
	'15/3	'14/3	**'15/3**
Deferred tax assets:			
Impairment loss	**¥ 8,824**	¥ 9,911	**$ 73,429**
Excess bonuses accrued	**2,553**	2,973	**21,245**
Valuation difference on non-current assets	**2,267**	2,250	**18,865**
Net loss carried forward	**1,841**	2,070	**15,320**
Accrued business tax	**1,509**	1,874	**12,557**
Others	**5,395**	3,607	**44,895**
Total deferred tax assets	**22,389**	22,685	**186,311**
Valuation allowance	**(13,071)**	(13,669)	**(108,771)**
Net deferred tax assets	**9,318**	9,016	**77,540**
Deferred tax liabilities:			
Valuation difference on available-for-sale securities	**(7,057)**	(2,919)	**(58,725)**
Others	**(1,178)**	(823)	**(9,803)**
Total deferred tax liabilities	**(8,235)**	(3,742)	**(68,528)**
Net deferred tax assets	**¥ 1,083**	¥ 5,274	**$ 9,012**

9 SHAREHOLDERS' EQUITY

Net assets comprise three subsections, which are shareholders' equity, accumulated other comprehensive income and minority interests.

Under Japanese laws and regulations, the entire amount paid for new shares is required to be designated as common stock. However, a company may, by a resolution of its board of directors, designate an amount not exceeding one-half of the price of the new shares as additional paid-in capital which is included in capital surplus.

In cases where dividend distribution of surplus is made, the lesser of an amount equal to 10% of the dividend or the excess, if any, of 25% of common stock over the total of additional paid-in capital and legal reserve must be set aside as additional paid-in capital or legal reserve. Legal reserve is included in retained earnings in the accompanying consolidated balance sheets.

Both appropriations of legal reserve and additional paid-in capital used to eliminate or reduce a deficit generally require a resolution of the General Meeting of Shareholders. Additional paid-in capital and legal reserve may not be distributed as dividends. All additional paid-in capital and legal reserve may be transferred to other capital surplus and retained earnings, respectively, which are potentially available for dividends.

The maximum amount that the Company can distribute as dividends is calculated based on the non-consolidated financial statements of the Company in accordance with Japanese laws and regulations.

At the General Meeting of Shareholders held on June 26, 2015, the stockholders resolved to pay cash dividends amounting to ¥5,860 million (US$48,764 thousand). Such appropriations have not been accrued in the consolidated financial statements as of March 31, 2015. Such appropriations will be recognized in the period when they were resolved. The total amount of cash dividends paid includes dividends of ¥13 million (US$108 thousand) payable to the trust established by the Employee Stock Ownership Plan ESOP.

As of the year ended March 31, 2015, the class and number of shares held for the purpose of stock acquisition rights was 2,748,000 shares of common stock.

The number of shares is the number that would be required if the Company were to execute a borrowing of ¥100 billion through the subordinated loan, and the stock acquisition rights were then exercised.

The Company conducted a 4-for-1 stock split on April 1, 2015, but the number of shares held for the purpose of stock acquisition rights is based on the number of shares before the stock split.

There is a possibility that stock acquisition rights may be exercised by the creditor in the subordinated loan under certain conditions.

10 FINANCIAL INSTRUMENTS

A Policies on the use of financial instruments

The Companies raise the funds needed to implement capital investment plans through loans from banks and other institutions and by issuing corporate bonds. The Companies limit their investment of temporary surpluses to deposits and highly liquid financial assets such as bank deposits.

The Companies employ derivative financial instruments only as needed to limit the scope of actual settlement and do not undertake speculative transactions for the purpose of generating trading profits.

B Financial instrument content and risks

Notes and accounts receivable-trade involve credit risk on the part of customers and business partners.

Investment securities, which are mainly equity securities, involve market risk.

C Financial instrument risk management

(a) Management of credit risk (the risk that a business partner will default on its transactional obligations)

The Companies employ accounts receivable management regulations to reduce the risks related to notes and accounts receivable-trade, which are collected within one year.

(b) Management of market risk (the risk of foreign exchange and interest rate fluctuations)

The fair value of investment securities in listed companies is determined on a quarterly basis.

The Companies have formulated operational handling procedures pertaining to the execution and management of derivative financial transactions. Departments handling such transactions are managed closely, and a system is in place to ensure an effective internal control function.

D Supplementary explanation regarding the fair value of financial instruments

With regard to the fair value of financial instruments, in addition to basing fair value on market value, the fair value of financial instruments that have no available market value is determined by using a rational method of calculation. However, as variables are inherent in these value calculations, the resulting values may differ if different assumptions are used. Also, market risk related to derivative financial instruments is not included within the contract amounts of derivative financial instruments. Also, market risk related to derivative financial instruments is not represented in the contract amounts of derivative financial instruments.

E Matters related to the fair value of financial instruments

(Year ended March 31, 2015)

The following table summarizes book value, fair value and difference on financial instruments, excluding financial instruments without fair value, as of March 31, 2015:

	Millions of yen			Thousands of U.S. dollars		
	'15/3			'15/3		
	Book value	Fair value	Difference	Book value	Fair value	Difference
Cash and cash equivalents						
(1) Cash and deposits (maturing within 3 months)	¥ 74,779	¥ 74,779	¥ —	$ 622,277	$ 622,277	$ —
(2) Marketable securities (maturing within 3 months)	31,500	31,500	—	262,128	262,128	—
Trade receivables						
(3) Notes and accounts receivable	24,697	24,697	—	205,517	205,517	—
Other current assets						
(4) Cash and deposits (maturing after 3 months)	75,000	75,000	—	624,116	624,116	—
(5) Marketable securities (maturing after 3 months)	10,000	10,000	—	83,216	83,216	—
Investment securities						
(6) Investment securities	43,092	43,092	—	358,592	358,592	—
Total assets	¥259,068	¥259,068	¥—	$2,155,846	$2,155,846	$ —
Trade payables						
(1) Notes and accounts payable-trade	¥ 18,835	¥ 18,835	¥—	$ 156,736	$ 156,736	$ —
Current portion of long-term debt						
(2) Current portion of long-term loans payable	4,462	4,462	—	37,131	37,131	—
Long-term debt						
(3) Bonds payable	50,000	49,909	(91)	416,077	415,320	(757)
(4) Long-term loans payable	3,366	3,463	97	28,010	28,817	807
Total liabilities	¥ 76,663	¥ 76,669	¥ 6	$ 637,954	$ 638,004	$ 50
(5) Financial derivative transactions*	¥ 6	¥ 6	¥ —	$ 50	$ 50	$ —

* Stated values are the net amounts of receivables and payables arising from derivative financial transactions.

Method of calculating the fair value of financial instruments and matters related to securities and financial derivative transactions

Assets

(1) Cash and deposits (maturing within 3 months), (2) marketable securities (maturing within 3 months), (3) notes and accounts receivable, (4) cash and deposits (maturing after 3 months) and (5) marketable securities (maturing after 3 months)

As these instruments are settled within a short term and their fair values and book values are nearly identical, their book values are assumed as their fair values.

(6) Investment securities

The fair values of equity securities are determined by their prices on stock exchanges.

Liabilities

(1) Notes and accounts payable-trade and (2) current portion of long-term loans payable

As these instruments are settled within a short term and their fair values and book values are nearly identical, their book values are assumed as their fair values.

(3) Bonds payable

The fair value of corporate bonds is determined based on market prices.

(4) Long-term loans payable

For long-term loans payable, fair value is determined by discounting the total amount of principal and interest with the assumed interest rate on new loans of the same type. However, for loans with floating interest rates that do not employ interest rate swaps, as interest rates are revised in set increments as conditions dictate and their fair values and book values are nearly identical, the book values are assumed as their fair values.

(5) Financial derivative transactions

1) Transactions on which hedge accounting is not employed:

None applicable

2) Derivative financial instruments employing hedge accounting:

Currency related

			Millions of yen			Thousands of U.S. dollars		
Hedge accounting method	Transaction type	Main items hedged	Contract amounts	Over 1 year	Fair value	Contract amounts	Over 1 year	Fair value
Exchange forward contracts and other deferral hedge accounting	Currency swap contracts, U.S. dollars	Accounts payable, other payables	¥10,468	¥—	¥6	$87,110	$—	$50

Note: Fair value calculation method

Fair value is calculated at the rates indicated by the financial institutions handling these transactions for the Companies.

Financial instruments of which fair value is not readily determinable

	Millions of yen	Thousands of U.S. dollars
Non-listed equity securities	¥4,157	$34,593
Investment	165	1,373

These instruments are not included within "(6) Investment securities" as they have no market value and their fair value is not readily determinable.

Monetary assets and liabilities and the expected maturity values of marketable securities with maturities after the balance sheet date

Millions of yen

Type	'15/3			
	Within one year	Over one year but within five years	Over five years but within ten years	Over ten years
Cash and deposits	**¥137,000**	**¥ —**	**¥—**	**¥—**
Notes and accounts receivable	**24,697**	**—**	**—**	**—**
Marketable securities and investment securities				
Maturities of available-for-sale securities				
(1) Government bonds	**—**	**710**	**—**	**—**
(2) Bonds (corporate bonds)	**2,000**	**—**	**—**	**—**
(3) Other	**39,500**	**165**	**—**	**—**
Total	**¥203,197**	**¥875**	**¥—**	**¥—**

Thousands of U.S. dollars

Type	'15/3			
	Within one year	Over one year but within five years	Over five years but within ten years	Over ten years
Cash and deposits	**$1,140,052**	**$ —**	**$—**	**$—**
Notes and accounts receivable	**205,517**	**—**	**—**	**—**
Marketable securities and investment securities				
Maturities of available-for-sale securities				
(1) Government bonds	**—**	**5,908**	**—**	**—**
(2) Bonds (corporate bonds)	**16,643**	**—**	**—**	**—**
(3) Other	**328,701**	**1,373**	**—**	**—**
Total	**$1,690,913**	**$7,281**	**$—**	**$—**

For information on the expected maturity values after the balance sheet date of long-term loans payable, see Note 4. "Long-term debt."

(Year ended March 31, 2014)

The following table summarizes book value, fair value and difference on financial instruments, excluding financial instruments without fair value, as of March 31, 2014:

Millions of yen

	'14/3		
	Book value	Fair value	Difference
Cash and cash equivalents			
(1) Cash and deposits (maturing within 3 months)	¥ 43,518	¥ 43,518	¥—
(2) Marketable securities (maturing within 3 months)	36,500	36,500	—
Trade receivables			
(3) Notes and accounts receivable	20,750	20,750	—
Other current assets			
(4) Cash and deposits (maturing after 3 months)	50,000	50,000	—
(5) Marketable securities (maturing after 3 months)	10	10	—
Investment securities			
(6) Investment securities	29,176	29,176	—
Other assets			
(7) Long-term loans receivable	354	354	—
Total assets	¥180,308	¥180,308	¥—
Trade payables			
(1) Notes and accounts payable-trade	¥ 20,216	¥ 20,216	¥—
Current portion of long-term debt			
(2) Current portion of long-term loans payable	5,580	5,580	—
Long-term debt			
(3) Long-term loans payable	52,849	52,888	39
Total liabilities	¥ 78,645	¥ 78,684	¥39

Method of calculating the fair value of financial instruments and matters related to securities

Assets

(1) Cash and deposits (maturing within 3 months), (2) marketable securities (maturing within 3 months), (3) notes and accounts receivable, (4) cash and deposits (maturing after 3 months), and (5) marketable securities (maturing after 3 months)

As these instruments are settled within a short term and their fair values and book values are nearly identical, their book values are assumed as their fair values.

(6) Investment securities

The fair values of equity securities are determined by their prices on stock exchanges.

(7) Long-term loans receivable

For long-term loans receivable, fair value is determined by discounting the total amount of principal and interest with the assumed interest rate on new borrowings of the same type.

Liabilities

(1) Notes and accounts payable-trade and (2) current portion of long-term loans payable

As these instruments are settled within a short term and their fair values and book values are nearly identical, their book values are assumed as their fair values.

(3) Long-term loans payable

For long-term loans payable, fair value is determined by discounting the total amount of principal and interest with the assumed interest rate on new loans of the same type. However, for loans with floating interest rates that do not employ interest rate swaps, as interest rates are revised in set increments as conditions dictate and their fair values and book values are nearly identical, the book values are assumed as their fair values.

Financial instruments of which fair value is not readily determinable

	Millions of yen
Non-listed equity securities	¥4,063
Investment	240

These instruments are not included within "(6) Investment securities" as they have no market value and their fair value is not readily determinable.

Monetary assets and liabilities and the expected maturity values of marketable securities with maturities after the balance sheet date

Millions of yen

	'14/3			
Type	Within one year	Over one year but within five years	Over five years but within ten years	Over ten years
Cash and deposits	¥ 79,000	¥ —	¥—	¥—
Notes and accounts receivable	20,750	—	—	—
Marketable securities and investment securities				
Maturities of available-for-sale securities				
(1) Government bonds	10	700	—	—
(2) Other	36,500	240	—	—
Long-term loans receivable	350	4	0	0
Total	¥136,610	¥944	¥ 0	¥ 0

For information on the expected maturity values after the balance sheet date of long-term loans payable, see Note 4. "Long-term debt."

11 COMMITMENTS AND CONTINGENT LIABILITIES

The Companies have non-cancelable lease agreements, principally for vehicles and computer equipment.

Guarantees under debt assumption agreements assumed in the year ended March 31, 2014 are as follows:

Seventh issue of unsecured bonds: ¥30,000 million

Ninth issue of unsecured bonds: ¥20,000 million

Tenth issue of unsecured bonds: ¥10,000 million

Guarantees under debt assumption agreements assumed in the year ended March 31, 2015 are as follows:

Seventh issue of unsecured bonds: ¥30,000 million (US$249,646 thousand)

Ninth issue of unsecured bonds: ¥20,000 million (US$166,431 thousand)

12 CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME

The amounts related to the tax effect on other comprehensive income for the years ended March 31, 2015, 2014 and 2013 are as follows:

	Millions of yen			Thousands of U.S. dollars
The amounts related to the tax effect on other comprehensive income	'15/3	'14/3	'13/3	'15/3
Valuation difference on available-for-sale securities				
Current year accrual	**¥13,206**	¥101	¥8,698	**$109,894**
Recycling	**—**	—	—	**—**
Other comprehensive income, before tax	**13,206**	101	8,698	**109,894**
Tax effect	**(4,113)**	(39)	(2,956)	**(34,226)**
Net of income tax effect	**9,093**	62	5,742	**75,668**
Deferred gains (losses) on hedges				
Current year accrual	**6**	—	1,082	**50**
Recycling	**—**	—	—	**—**
Other comprehensive income, before tax	**6**	—	1,082	**50**
Tax effect	**(2)**	—	(409)	**(17)**
Net of income tax effect	**4**	—	673	**33**
Adjustment for retirement benefits				
Current year accrual	**2,142**	—	—	**17,825**
Recycling	**380**	—	—	**3,162**
Other comprehensive income, before tax	**2,522**	—	—	**20,987**
Tax effect	**(822)**	—	—	**(6,841)**
Net of income tax effect	**1,700**	—	—	**14,146**
Total	**¥10,797**	¥ 62	¥6,415	**$ 89,847**

13 CONSOLIDATED STATEMENTS OF CASH FLOWS

Amounts of assets and liabilities of newly consolidated subsidiaries in the fiscal year ended March 31, 2013

The following are the amounts of assets and liabilities for Brighton Corporation and two other newly consolidated companies at the time of acquisition for the year ended March 31, 2013, and the acquisition cost of those companies' stocks, the amounts of cash and cash equivalents and the net expenditure for acquisition.

	Millions of yen
Current assets	¥ 1,255
Non-current assets	18,977
Goodwill	1,240
Current liabilities	1,832
Non-current liabilities	18,589
Acquisition cost	1,051
Cash and cash equivalents of acquired companies	684
Net expenditure	367

14 BUSINESS COMBINATIONS

A Overview of business combination

(1) Name and business activities of acquired company

Name of acquired company: Brighton Corporation

Business activities: Hotel management, operation, etc.

(2) Primary reason for business combination

The acquisition of hotels in the Shin-Urayasu area is expected to generate synergies with Tokyo Disney Resort, and the business combination also brings the potential of developing hotel operations in the Kyoto area.

(3) Date of business combination

March 29, 2013

(4) Legal form of business combination

Acquisition of shares in cash

(5) Percentage of voting rights after acquisition

100%

B Period for which business results of acquired company are included in the consolidated financial statements

Not applicable because the acquisition date was considered to be March 31, 2013.

C Acquisition cost and details of acquired company

	Millions of yen
Compensation paid for acquisition	¥ 570
Expenses directly related to acquisition	481
Acquisition cost	¥1,051

D Amount, reason for occurrence, amortization method and amortization period for goodwill

(1) Goodwill amount: ¥1,240 million

(2) Reason for occurrence

The cost of acquisition exceeded the value of assets acquired and liabilities assumed, and the amount exceeded was recorded as goodwill.

(3) Amortization method and amortization period

Amortization is computed by the straight-line method over a five-year period.

E Details of assets acquired and liabilities assumed on the date of business combination

	Millions of yen
Current assets	¥ 1,255
Non-current assets	18,977
Total assets	¥20,232
Current liabilities	¥ 1,832
Non-current liabilities	18,589
Total liabilities	¥20,421

F Approximate effect on the consolidated statements of income if the business combination had been completed at the beginning of the year ended March 31, 2013 and the calculation method

Approximate effect and calculation method are not shown as the effect is immaterial.

15 SEGMENT INFORMATION

Segment information for the years ended March 31, 2015, 2014 and 2013

Reportable segments are the segments of the Companies for which financial information can be obtained. The Board of Directors examines such information to determine the allocation of management resources and evaluate the business performance on a regular basis. The Companies conduct the management and operation of hotels and theme parks as their primary business. Taking into consideration the type and nature of services offered and similarity of market, the Company has established two reportable segments: the Theme Park Segment and the Hotel Business Segment.

The Theme Park Segment manages and operates theme parks. The Hotel Business Segment manages and operates hotels.

Methods of accounting for reportable segments are generally identical to those described in Note 1. "Significant accounting and reporting policies."

(Year ended March 31, 2015)

Millions of yen

	'15/3						
	Reportable Segments						
	Theme Park	Hotel Business	Total	Other Business	Total	Adjustment	Consolidated
Revenues							
Sales to external customers	**¥387,622**	**¥61,066**	**¥448,688**	**¥17,604**	**¥466,292**	**¥ —**	**¥466,292**
Intersegment sales or transfers	**5,977**	**595**	**6,572**	**3,858**	**10,430**	**(10,430)**	**—**
Total	**393,599**	**61,661**	**455,260**	**21,462**	**476,722**	**(10,430)**	**466,292**
Segment income	**95,666**	**13,138**	**108,804**	**1,603**	**110,407**	**198**	**110,605**
Segment assets	**383,657**	**92,696**	**476,353**	**48,160**	**524,513**	**222,128**	**746,641**
Others							
Depreciation and amortization	**27,446**	**4,500**	**31,946**	**2,713**	**34,659**	**(22)**	**34,637**
Increase in property, plant and equipment and intangible assets	**33,863**	**1,532**	**35,395**	**1,651**	**37,046**	**(12)**	**37,034**

Thousands of U.S. dollars

	'15/3						
	Reportable Segments						
	Theme Park	Hotel Business	Total	Other Business	Total	Adjustment	Consolidated
Net sales							
Sales to external customers	**$3,225,614**	**$508,163**	**$3,733,777**	**$146,493**	**$3,880,270**	**$ —**	**$3,880,270**
Intersegment sales or transfers	**49,738**	**4,951**	**54,689**	**32,105**	**86,794**	**(86,794)**	**—**
Total	**3,275,352**	**513,114**	**3,788,466**	**178,598**	**3,967,064**	**(86,794)**	**3,880,270**
Segment income	**796,089**	**109,328**	**905,417**	**13,340**	**918,757**	**1,647**	**920,404**
Segment assets	**3,192,619**	**771,374**	**3,963,993**	**400,765**	**4,364,758**	**1,848,448**	**6,213,206**
Others							
Depreciation and amortization	**228,393**	**37,447**	**265,840**	**22,576**	**288,416**	**(183)**	**288,233**
Increase in property, plant and equipment and intangible assets	**281,792**	**12,749**	**294,541**	**13,739**	**308,280**	**(100)**	**308,180**

(a) "Other business" includes business segments that are not part of the Company's reportable segments. These include the management and operation of IKSPIARI and Disney Resort Line, the operation of employee cafeterias and the management and operation of theme restaurants.

(b) Segment income has been adjusted by ¥198 million (US$1,647 thousand) to account for intersegment sales or transfers.

(c) Segment assets have been adjusted by ¥222,128 million (US$1,848,448 thousand). This included deducting intersegment sales or transfers totaling ¥3,786 million (US$31,505 thousand) and adjusting for assets valued at ¥225,914 million (US$1,879,953 thousand) that are not attributable to any segment. These assets primarily represent the parent company's surplus operating capital (cash and cash equivalents) and long-term invested capital (investment securities).

(d) Segment income has been adjusted to operating income on the consolidated statements of income.

(e) Depreciation and amortization and increase in property, plant and equipment and intangible assets include the amortization and addition of long-term prepaid expenses.

(f) Revenues outside Japan and revenues by sales to foreign customers are less than 10% of the Companies' consolidated net revenues for the year ended March 31, 2015.

(Year ended March 31, 2014)

Millions of yen

	'14/3						
	Reportable Segments						
	Theme Park	Hotel Business	Total	Other Business	Total	Adjustment	Consolidated
Net sales							
Sales to external customers	¥390,912	¥64,933	¥455,845	¥17,728	¥473,573	¥ —	¥473,573
Intersegment sales or transfers	6,228	638	6,866	3,988	10,854	(10,854)	—
Total	397,140	65,571	462,711	21,716	484,427	(10,854)	473,573
Segment income	97,154	15,898	113,052	1,261	114,313	178	114,491
Segment assets	373,889	95,114	469,003	50,188	519,191	145,348	664,539
Others							
Depreciation and amortization	29,314	4,880	34,194	2,763	36,957	(23)	36,934
Increase in property, plant and equipment and intangible assets	16,918	2,133	19,051	1,327	20,378	(11)	20,367

(a) "Other business" includes business segments that are not part of the Company's reportable segments. These include the management and operation of IKSPIARI and Disney Resort Line, the operation of employee cafeterias and the management and operation of theme restaurants.

(b) Segment income has been adjusted by ¥178 million to account for intersegment sales or transfers.

(c) Segment assets have been adjusted by ¥145,348 million. This included deducting intersegment sales or transfers totaling ¥3,989 million and adjusting for assets valued at ¥149,337 million that are not attributable to any segment. These assets primarily represent the parent company's surplus operating capital (cash and cash equivalents) and long-term invested capital (investment securities).

(d) Segment income has been adjusted to operating income on the consolidated statements of income.

(e) Depreciation and amortization and increase in property, plant and equipment and intangible assets include the amortization and addition of long-term prepaid expenses.

(f) Revenues outside Japan and revenues by sales to foreign customers are less than 10% of the Companies' consolidated net revenues for the year ended March 31, 2014.

(Year ended March 31, 2013)

Millions of yen

	'13/3						
	Reportable Segments						
	Theme Park	Hotel Business	Total	Other Business	Total	Adjustment	Consolidated
Net sales							
Sales to external customers	¥329,815	¥48,925	¥378,740	¥16,787	¥395,527	¥ —	¥395,527
Intersegment sales or transfers	5,202	569	5,771	3,752	9,523	(9,523)	—
Total	335,017	49,494	384,511	20,539	405,050	(9,523)	395,527
Segment income	68,485	12,022	80,507	607	81,114	353	81,467
Segment assets	384,344	97,449	481,793	51,749	533,542	122,003	655,545
Others							
Depreciation and amortization	28,909	4,535	33,444	2,722	36,166	(34)	36,132
Increase in property, plant and equipment and intangible assets	26,496	20,959	47,455	1,195	48,650	(18)	48,632

(a) "Other business" includes business segments that are not part of the Company's reportable segments. These include the management and operation of IKSPIARI and Disney Resort Line, the operation of employee cafeterias and the management and operation of theme restaurants.

(b) Segment income has been adjusted by ¥353 million to account for intersegment sales or transfers.

(c) Segment assets have been adjusted by ¥122,003 million. This included deducting intersegment sales or transfers totaling ¥4,270 million and adjusting for assets valued at ¥126,273 million that are not attributable to any segment. These assets primarily represent the parent company's surplus operating capital (cash and cash equivalents) and long-term invested capital (investment securities).

(d) Segment income has been adjusted to operating income on the consolidated statements of income.

(e) Depreciation and amortization and increase in property, plant and equipment and intangible assets include the amortization and addition of long-term prepaid expenses.

(f) Revenues outside Japan and revenues by sales to foreign customers are less than 10% of the Companies' consolidated net revenues for the year ended March 31, 2013.

16 SUBSEQUENT EVENT

Based on a resolution of the Board of Directors on February 24, 2015, the Company conducted the following stock split to issue new shares.

One share of common stock was split into four shares on April 1, 2015.

(1) Increase in shares resulting from the split

Common stock

272,767,620 shares

(2) Method of split

Each share of common stock held by shareholders listed or recorded on the final list of shareholders as of March 31, 2015 was split into four shares.

Per share information in the notes to this report was calculated on the assumption that the stock split had taken place on April 1, 2013.

Independent Auditor's Report

To the Board of Directors of Oriental Land Co., Ltd.:

We have audited the accompanying consolidated financial statements of Oriental Land Co., Ltd. and its consolidated subsidiaries, which comprise the consolidated balance sheets as at March 31, 2015 and 2014, and the consolidated statements of income, the consolidated statements of comprehensive income, the consolidated statements of changes in net assets and the consolidated statements of cash flows for the years ended March 31, 2015, 2014 and 2013, and a summary of significant accounting policies and other explanatory information.

Management's Responsibility for the Consolidated Financial Statements

Management is responsible for the preparation and fair presentation of these consolidated financial statements in accordance with accounting principles generally accepted in Japan, and for such internal control as management determines is necessary to enable the preparation of consolidated financial statements that are free from material misstatements, whether due to fraud or error.

Auditor's Responsibility

Our responsibility is to express an opinion on these consolidated financial statements based on our audits. We conducted our audits in accordance with auditing standards generally accepted in Japan. Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the consolidated financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the consolidated financial statements. The procedures selected depend on our judgement, including the assessment of the risks of material misstatement of the consolidated financial statements, whether due to fraud or error. In making those risk assessments, we consider internal control relevant to the entity's preparation and fair presentation of the consolidated financial statements in order to design audit procedures that are appropriate in the circumstances, while the objective of the financial statement audit is not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the consolidated financial statements present fairly, in all material respects, the financial position of Oriental Land Co., Ltd. and its consolidated subsidiaries as at March 31, 2015 and 2014, and their financial performance and cash flows for the years ended March 31, 2015, 2014 and 2013 in accordance with accounting principles generally accepted in Japan.

Convenience Translation

The U.S. dollar amounts in the accompanying consolidated financial statements with respect to the year ended March 31, 2015 are presented solely for convenience. Our audit also included the translation of yen amounts into U.S. dollar amounts and, in our opinion, such translation has been made on the basis described in Note 1 to the consolidated financial statements.

KPMG AZSA LLC

June 26, 2015
Tokyo, Japan

Corporate Data/Stock Information

As of March 31, 2015

Corporate Data

Company Name	Oriental Land Co., Ltd.
Address	1-1 Maihama, Urayasu, Chiba 279-8511, Japan
Established	July 11, 1960
Capital Stock	¥63,201 million
Number of Employees	4,438 (Consolidated, OLC Group) 2,229 (Non-consolidated, Oriental Land Co., Ltd.)

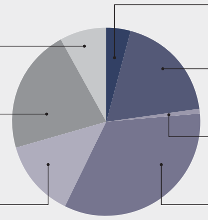
■ Primary Subsidiaries

Milial Resort Hotels Co., Ltd.
Maihama Resort Line Co., Ltd.
IKSPIARI Co., Ltd.
RC Japan Co., Ltd.
Maihama Corporation Co., Ltd.
Green and Arts Co., Ltd.
Photo Works Co., Ltd.
Design Factory Co., Ltd.
Bay Food Services Co., Ltd.
Resort Costuming Service Co., Ltd.
Maihama Building Maintenance Co., Ltd.
M TECH Co., Ltd.

Stock Information

Common Stock Outstanding	90,922,540 shares
Stock Listing	Tokyo Stock Exchange, First Section
Code No.	4661
Investment Unit	100 shares
Number of Stockholders	103,373
Bond Ratings	JCR…AA R&I…AA–
Share Registrar	Sumitomo Mitsui Trust Bank, Limited 4-1, Marunouchi 1-chome, Chiyoda-ku, Tokyo 100-0005, Japan
Transfer Agent	Stock Transfer Agent Department, Sumitomo Mitsui Trust Bank, Limited 8-4, Izumi 2-chome, Suginami-ku, Tokyo 168-0063, Japan

■ Distribution of Stockholders



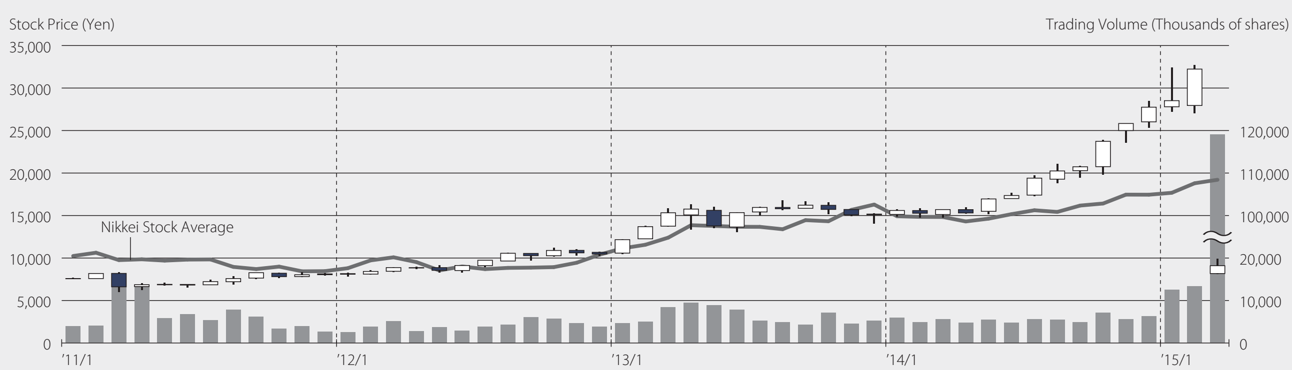
■ Principal Stockholders*[1] (Top Ten)

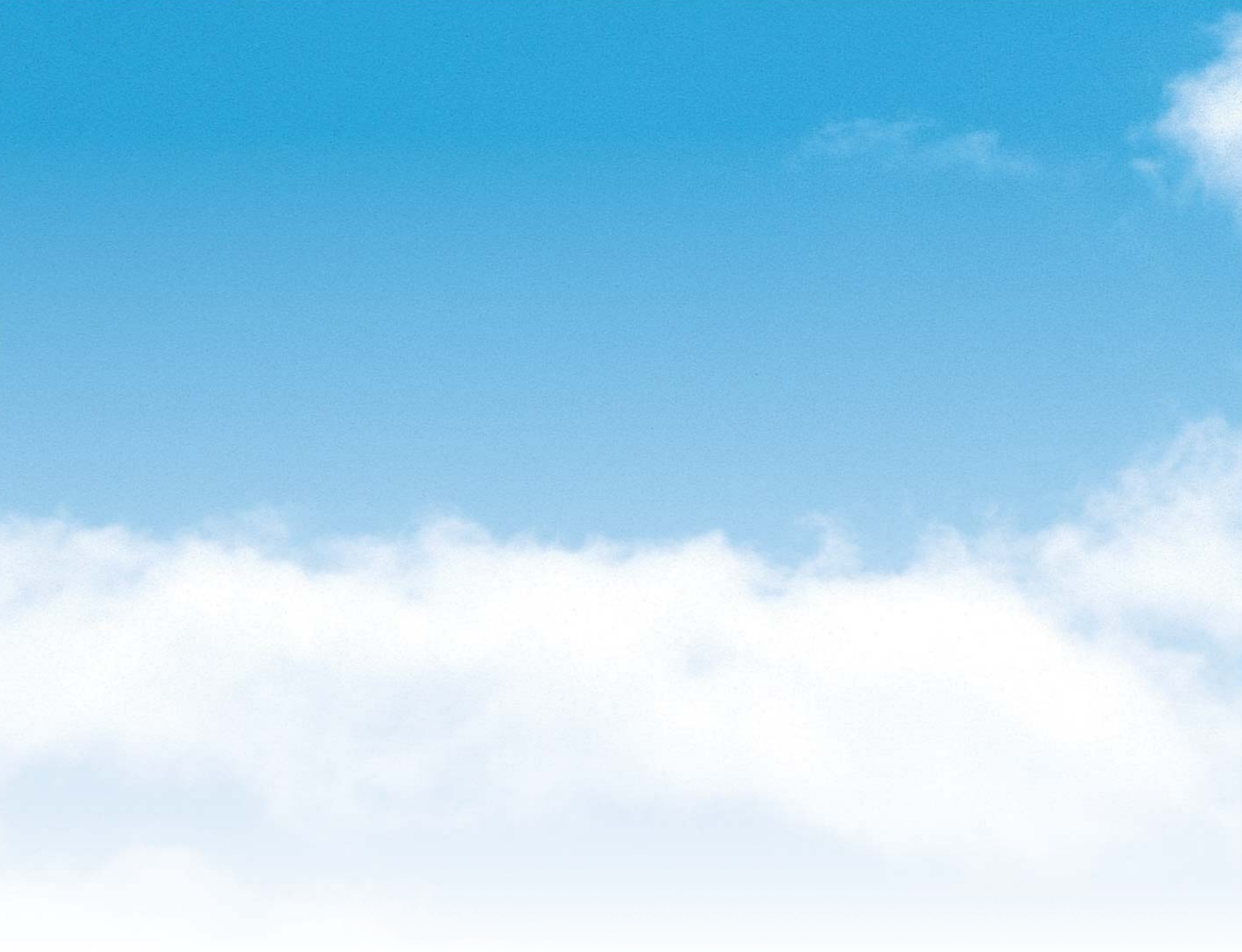
Stockholders	Number of shares (Thousands)	Percentage held (%)
Keisei Electric Railway Co., Ltd.	18,157	19.97
Mitsui Fudosan Co., Ltd.	7,689	8.46
Chiba Prefecture	3,300	3.63
The Master Trust Bank of Japan, Ltd. (Trust accounts)	2,327	2.56
Mizuho Trust & Banking Co., Ltd.*[2]	1,874	2.06
Japan Trustee Services Bank, Ltd. (Trust accounts)	1,826	2.01
The Dai-ichi Life Insurance Company, Limited	1,640	1.80
Japan Trustee Services Bank, Ltd. (Trust accounts 4)	1,059	1.16
Sumitomo Mitsui Trust Bank, Limited	863	0.95
STATE STREET BANK WEST CLIENT - TREATY 505234	790	0.87

*1. In addition to the above, 7,206 thousand shares are held in treasury. Treasury stock does not include 193 thousand shares of the Company's stock that are held by the trust.

*2. Shares held in the pension trust account with Mizuho Trust & Banking Co., Ltd. are for the benefit of retirement plans of Mizuho Corporate Bank, Ltd.

■ Stock Price and Trading Volume





Oriental Land Co.,Ltd.

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